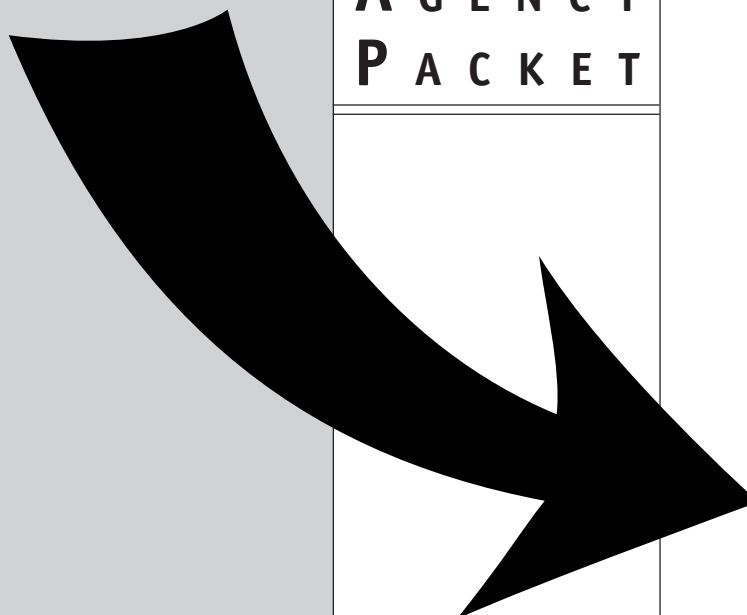


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**A G E N C Y  
P A C K E T**



**California Multiple Award Schedules**

Procurement Division • Department of General Services  
State of California

# CALIFORNIA MULTIPLE AWARD SCHEDULE

Includes updated information from Bulletins #1 through #36

## OVERVIEW

### Legislation

The California Multiple Award Schedule (CMAS) program was established in May 1994 in response to Assembly Bill 1727 which was signed into law in October 1993, and incorporated into the Public Contract Code, Sections 10290 et seq. and 12101.5 effective January 1994.

The program enables California State agencies and local government agencies, under authority from the Department of General Services (DGS), to streamline purchases by removing repetitive, resource intensive, costly and time consuming bid processes.

### CMAS is Optional

Subject to the Department of General Services delegation guidelines, agencies may bid or use leveraged procurement contracts like CMAS to meet their procurement needs.

### Agency Responsibilities

Each agency is responsible for its own contracting program and purchasing decisions, including use of the CMAS program and associated outcomes.

This responsibility includes, but is not necessarily limited to, ensuring the necessity of the services, securing appropriate funding, complying with laws and policies, preparing the purchase order in a manner that safeguards the State's interests, obtaining required approvals, and documenting compliance with Government Code 19130.b (3) for outsourcing services.

Agencies who do not possess the prerequisite procurement expertise to make appropriate purchasing decisions could lose authority to use the CMAS program. Free CMAS agency training is available (call CAMMI 916/375-4500).

Successful CMAS transactions are totally the responsibility of the ordering agency.

### Reporting Requirements

Legislation requires state agencies to submit various reports on procurement practices.

See CMAS Agency Packet, Section 10, Statewide Procurement Requirements, Special Attention.

### What is Included?

CMAS contracts are established for information technology and non-information technology products and services that have been competitively assessed, negotiated, or bid primarily by the federal General Services Administration, but not exclusively.

The contracts are structured to comply with most California procurement codes, guidelines, and policies, and provide for the highest level of contractual protection.

# CMAS AGENCY PACKET

## OVERVIEW

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### **What is Excluded?**

The following services are not available on the CMAS program:

#### Architectural, Engineering, and Environmental Services

Services are not allowed on CMAS that are required by law to be performed by a licensed architect, licensed registered engineer, licensed landscape architect, construction project manager, licensed land surveyor, or environmental services as defined in Government Code 4525. If you have questions about these types of transactions, the Department of General Services (DGS), Real Estate Services Division (RESO) can be contacted at 916/376-1748.

#### Legal Services

Contracting for legal services by state agencies is controlled by statutes (GC 11040) that require Attorney General approval prior to entering into contracts with outside counsel. Additionally, Article VII of the California Constitution requires that state legal work be performed by state employees, absent limited exceptions (Government Code 19130). There are also policy-based approval requirements for all Executive Branch agencies that control the use of private counsel.

#### Public Works

Does the work involve erection, construction, alteration, repair or improvement of a public structure as defined in Public Contract Code 1101.

See the State Contracting Manual, Section 10 and 11 and the CMAS Agency Packet, Section 16, Public Works Projects.

The Department of General Services (DGS) Real Estate Services Division (RESO) should be contacted for information on these types of transactions. For Architectural and Engineering, contact 916/376-1748. For Public Works, contact 916/376-1768.

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### **Legal Requirement to Consider Small Business**

Prior to issuing purchase orders under the California Multiple Award Schedule (CMAS) program, state agencies shall whenever "practicable" first consider offers from small businesses that have established CMAS contracts (Government Code Section 14846(b) (Executive Order)).

See CMAS Agency Packet, Section 12, Small and Disabled Veteran Businesses and Americans with Disabilities (ADA), for guidelines.

The Department of General Services waives the 1.93% administrative fee (a fee currently charged to customer agencies to support the CMAS program) for purchase orders awarded to certified small business enterprises.

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### **Protests**

California code does not provide for formal protest of CMAS transactions. The individual ordering agency handles informal complaints.

If necessary, customers may contact the CMAS Unit for assistance.

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# CMAS AGENCY PACKET

## OVERVIEW

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### **Small Business/DVBE Subcontracting Participation**

#### **SMALL BUSINESS/DVBE – TRACKING**

State agencies are able to claim subcontracting dollars towards their small business or DVBE goals whenever the Contractor subcontracts a commercially useful function to a certified small business or DVBE. The Contractor will provide the ordering agency with the name of the small business or DVBE used and the dollar amount the ordering agency can apply towards its small business or DVBE goal. See Section 12, Small and Disabled Veteran Businesses and Americans with Disabilities (ADA).

---

### **How are CMAS Contracts Established?**

The CMAS Unit does not conduct a bid. The Contractor offers products and/or services and prices from an already existing competitively assessed, cost compared, multiple award contract. To these products, services and prices, we add contract terms and conditions and ordering procedures that include California procurement codes, policies, and guidelines and establish a totally independent California contract.

---

### **How Do Agencies Use CMAS?**

Agencies contact the Contractor to obtain a copy of the contract, compare contracts to determine best value, and issue orders directly to the Contractor. Exception: Furniture orders requiring Prison Industry Authority waivers and non-information technology service orders over \$50,000 require prior approval from DGS/PD before issuance to the Contractor.

See CMAS Agency Packet, Section 5, Best Value Determination.

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### **Local Government Agencies**

Local government agencies are allowed to use the CMAS program subject to their own codes and policies. See CMAS Agency Packet, Attachment B for guidelines.

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### **Legal Counsel**

It is the responsibility of each agency to consult as applicable with their legal staff and contracting offices for advice depending upon the scope or complexity of the purchase order.

If you do not have legal services available to you within your agency, the DGS Office of Legal Services is available to provide services on a contract basis.

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### **How to Contact CMAS**

See Section 1 for How to Contact CMAS.

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# CMAS AGENCY PACKET

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## CMAS AGENCY PACKET

### SECTION 1 – HOW TO CONTACT CMAS

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**CMAS Phone  
Number(s)** 916/375-4363

Calnet Prefix 454

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**CMAS Facsimile  
Number** 916/375-4663

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**CMAS Location** Department of General Services  
Procurement Division – CMAS Unit  
707 Third Street, Second Floor  
West Sacramento, California 95605                      IMS #Z-1

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**CMAS Web Site** [www.dgs.ca.gov/pd](http://www.dgs.ca.gov/pd) (click on CMAS)

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**CMAS E-mail  
Address** [cmas@dgs.ca.gov](mailto:cmas@dgs.ca.gov)

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**CMAS AGENCY PACKET**  
**SECTION 2 – CMAS BASICS**

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<b>Contract Price is Maximum (Cap)</b>	Contract prices for products and/or services are maximums. The ordering agency is encouraged to negotiate lower prices.
<b>Best Value Determination</b>	<p>Best value constitutes whatever the agency determines to be most critical to their application or project. That is, lowest price, warranty and maintenance provisions, delivery time, technical expertise, etc. (see Public Contract Code 12100.7(g)).</p> <p>See CMAS Agency Packet, Section 5, Best Value Determination, for guidelines.</p>
<b>Who Can Sell?</b>	The prime CMAS Contractor and resellers who are explicitly listed in the contract can sell. No one else.
<b>Be a Smart Shopper</b>	<p>Agencies are required to confirm that the products, services, and prices are included in the contract and are at or below contract rates.</p> <p>To substantiate that the required products and services are provided for in the contract, agencies should ask the Contractor for a copy of the contract pages (and amendments) that include the required products and services. Save this information for your files.</p>
<b>Contractor Provides Contract</b>	<p>The Contractor is required to furnish copies of the contract upon request. If they do not respond to your request, call another contractor.</p> <p>The Contractor's contact name and phone/facsimile numbers are identified in the List of Approved Contractors. The List of Approved Contractors is available from the CMAS Unit or through the following Procurement Division web site:</p> <p style="text-align: center;"><a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov /pd</a> (click on CMAS)</p>
<b>CMAS Web Site Search Instructions</b>	<p>CMAS web site search instructions are available on the CMAS Internet web page (see CMAS Agency Packet, Attachment A).</p> <p><b>To get an accurate listing you should use the copy and paste method rather than typing in the words. Using your own words is accurate "only" if you know exactly how the item is described in the CMAS database. The Products and Services Codes identify how the items are described in the database. See CMAS web site <a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a> (click on CMAS) for the most current list of Products and Services Codes.</b></p> <p>Please call the CMAS Unit at 916/375-4663 if you have difficulty with these instructions.</p>

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## CMAS AGENCY PACKET

### SECTION 3 – ADMINISTRATIVE REQUIREMENTS

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<b>Travel</b>	<p>If the contract provides for travel, state agencies may pay travel and per diem expenses according to state travel time and per diem rules (represented employee rates) with verified receipts.</p> <p><u>Notwithstanding the contract provisions, the State will not be responsible for the cost of travel to bring contractor personnel to the agency site to commence work.</u> However, if requested by the ordering agency, the State will be responsible for the cost of travel from one California agency site to another.</p> <p>Local government agency, education and special districts will pay travel time and per diem according to their respective statutory requirements.</p> <p>All travel and per diem expenses must be within contract parameters, and incorporated into the agency purchase order.</p> <p><u>It is important that the agency and contractor discuss necessary travel requirements prior to issuing the purchase order because the detail and cost (only as allowed for in the contract) must be included in the agency purchase order to be payable.</u></p>
<b>Training Vouchers</b>	<p>It is acceptable to purchase training vouchers in advance of the training being performed "if" the Contractor does not invoice and the State does not pay for the training services in advance. See CMAS Agency Packet, Section 6, Payments and Invoices.</p>
<b>Price Analysis</b>	<p>Agencies are not required to conduct a price analysis for CMAS transactions because CMAS prices are established by law, regulation, or other action of a governmental body and considered reliable and presumed fair and reasonable.</p>
<b>Insurance Requirements</b>	<p>Insurance is required for hazardous activities. State transactions for hazardous activities costing \$100 or more must be submitted to the Department of General Services (DGS) Office of Risk and Insurance Management (ORIM) (916/376-5300). See State Contracting Manual, Section 3, Hazardous Activities Contracts.</p> <p>DGS/ORIM is available to provide consultation on all insurance and liability matters.</p>
<b>New Equipment Required</b>	<p>The State will procure new equipment. All equipment must be new (or warranted as newly manufactured) and the latest model in current production. Used, shopworn, demonstrator, prototype, or discontinued models are not acceptable.</p> <p><u>Agencies must obtain approval from the Department of Finance to procure used information technology equipment before issuing a CMAS purchase order.</u></p>
<b>Federal Energy Management Program (FEMP) or Energy Star Products</b>	<p>It is imperative that state agencies purchase energy efficient products. Where FEMP recommended standards are available, all state agencies shall purchase only those products that meet the recommended standards. All products displaying Energy Star meet the FEMP standards.</p>

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## CMAS AGENCY PACKET

### SECTION 4 – CONTRACT CONSIDERATIONS

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#### Agency Changes to Terms & Conditions

State agency changes to CMAS Terms and Conditions must have prior approval from DGS/PD. If changes are required, contact the Contracts Negotiation Unit, 707 Third Street, Second Floor, West Sacramento, CA 95605. 916/375-4430.

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#### Liquidated Damages and Acceptance Testing/Criteria

If the agency wants to include acceptance testing and liquidated damages for late delivery, the criteria must be added to the purchase order to be applicable. See CMAS Agency Packet, Attachment G, for Instructions for Preparing a Statement of Work and sample language to be used in developing a Statement of Work.

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#### Bond Requirements

Public Works: Prior to the commencement of performance, the Contractor must obtain and provide to the State, a payment bond, on Std. Form 807, when the purchase order involves a public works expenditure (labor/installation costs) in excess of \$5,000. Such bond shall be in a sum not less than one hundred percent (100%) of the contract price. Forms shall be provided to the Contractor. See the General Terms and Conditions, CMAS Public Works Requirements.

Progress Payments: Special contracts for goods and information technology products and/or services not suitable for sale to others; progress payments; performance bonds (Public Contract Code 10314 and 12112):

Not less than 10 percent of the contract price is required to be withheld until final delivery and acceptance of the goods or services, and provided further, that the Contractor is required to submit a faithful performance bond, acceptable to the department, in a sum not less than one-half of the total amount payable under the contract securing the faithful performance of the contract by the Contractor. See CMAS contract terms and conditions, Information Technology, General Terms and Conditions, 7., CMAS Progress Payments/Performance Bonds.

See CMAS Agency Packet, Attachment F, Sample Bond Language.

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#### What Comprises a Complete CMAS Contract?

A complete CMAS contract consists of the following elements:

- Cover page with Department of General Services (DGS) logo and CMAS analyst's signature.
  - California Ordering Instructions and Special Provisions.
  - California CMAS Terms and Conditions.
  - Federal General Services Administration (GSA) schedule or non-federal GSA multiple award contract terms and conditions.
  - Federal General Services Administration (GSA) schedule or non-federal GSA multiple award contract products, services, and prices.
  - Payee Data Record (Std. 204)
-

## CMAS AGENCY PACKET

### SECTION 4 – CONTRACT CONSIDERATIONS

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#### **Why Does Agency Need Contract?**

The agency needs a copy of the contract for the following reasons:

- Determine warranties, guarantees, maintenance provisions, product return policies, bond requirements, travel costs, etc.
  - Determine if products and services are available on the contract
  - Determine which products and/or services are specifically excluded
  - Determine if prices quoted are at or below contract rates
  - Determine if additional approvals, forms, filings, etc. are required
  - Substantiate that the Contractor is certified as a small business
  - Substantiate that the Contractor has a valid Contractor's License (if applicable)
  - Obtain contractor's signed Payee Data Record (Std. 204)
- 

#### **Updates and/or Changes to CMAS Contracts**

When do CMAS contracts get amended?

##### Federal GSA Schedules:

Once the federal GSA schedule is amended by the federal government, the change becomes effective for associated CMAS contracts without the need for a CMAS amendment, with the following exceptions:

1. A CMAS contract amendment is required when the contract is based on products and/or services from another contractor's multiple award contract and the Contractor wants to add a new manufacturer's products and/or services.
2. A CMAS contract amendment is required for new federal contract terms and conditions that constitute a material difference from existing contract terms and conditions. A material change has a potentially significant effect on the delivery, quantity or quality of items provided, the amount paid to the Contractor or on the cost to the State.
3. A CMAS contract amendment is required for changes to contracts that require Prison Industry Authority (PIA) approval.
4. A CMAS contract amendment is required to extend the end term of the CMAS contract.

##### Non-Federal GSA Multiple Award Contracts:

A CMAS contract amendment is required for any change to a CMAS contract based on a non-federal GSA multiple award contract.

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#### **Conflict of Interest**

Agencies must develop a plan to evaluate the proposed purchase order for any potential conflict of interest issues.

See CMAS Agency Packet, Attachment J, Conflict of Interest for guidelines.

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## CMAS AGENCY PACKET

### SECTION 4 – CONTRACT CONSIDERATIONS

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#### **Contract Manager**

A contract manager is the authorized state representative responsible for administering a purchase order and monitoring the Contractor's performance. Duties may or may not include authority to sign purchase orders.

The contract manager serves as a liaison with the Contractor and may perform administrative tasks ranging from the request of services through the performance and final payment for completed services.

See Section 9 of the State Contracting Manual for the following guidelines:

- Responsibilities of the Contract Manager
  - Contract Manager "Don'ts"
  - Ethics
  - Record Keeping
  - Performance of the Contractor
  - Termination of the Contract
  - Closing of Service Contracts
  - Retention of Contract Records
-

## CMAS AGENCY PACKET

### SECTION 5 – BEST VALUE DETERMINATION

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<b>What is Best Value?</b>	<p>Best value is whatever the agency identifies as critical and important to the success of the project (cost, maintenance, delivery, etc.). See Public Contract Code 12100.7 (g).</p> <p>To make a best value determination, the agency must know what is critical and important, or not.</p>
<b>Determining Best Value</b>	<p>To determine best value, the following minimum steps are required. Agencies must:</p> <ul style="list-style-type: none"><li>• Define requirements (Statement of Work)</li><li>• Obtain a copy of the contract from the Contractor</li><li>• Review the contract in context with agency requirements and contractor offer</li><li>• Compare contracts and offers with those from other contractors</li></ul>
<b>Lease vs. Purchase Analysis</b>	<p>State agencies must complete a Lease vs. Purchase Analysis (LPA) to determine best value when contemplating a lease/rental, and retain a copy for future audit purposes (SAM 3700). Department of General Services approval of the LPA is not required.</p>
<b>Fair and Reasonable</b>	<p>Conducting business in a professional manner and treating the Contractors fairly and reasonably promotes responsive and supportive business partners.</p>
<b>Review Resumes</b>	<p>Before selecting a contractor, the agency must review the resumes of all contractor personnel to ensure that the expertise, education, and experience offered correlates with that specified in the CMAS contract.</p>
<b>Document Files</b>	<p>See CMAS Agency Packet, Section 18, Agency Compliance, for guidelines.</p>

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## CMAS AGENCY PACKET

### SECTION 6 – PAYMENTS AND INVOICES

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#### **Payee Data Record (Std. 204)**

State accounting offices must have a copy of the Payee Data Record (Std. 204) to process payment of invoices. Agencies should forward a copy of the Std. 204 to their respective accounting office(s) to avoid unnecessary processing delays.

The CMAS Unit includes the Contractor's signed Payee Data Record (Std. 204) as part of the completed contract that is available from the Contractor.

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#### **CAL-Card (Credit Card)**

The CMAS contract will stipulate whether the Contractor accepts the CAL-Card, or not.

If a purchase document is used, a copy should be attached to the invoice (per the State Controller's Office) for tracking purposes.

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#### **Advance Payments**

It is NOT acceptable to pay for services in advance except software maintenance and license fees, which are considered a subscription, may be paid in advance if a provision addressing payment in advance is included in the purchase order.

Warranty upgrades and extensions may also be paid for in advance, one time.

Advance payment for services is allowed by Government Code 11019 only under limited, narrowly defined circumstances, e.g., between specific departments and certain types of non-profit organizations, or when paying another government agency.

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#### **Administrative Fee/Billing**

The Procurement Division will bill each state and local government agency for use of CMAS contracts equal to 1.93% of the total value of each purchase order, except for purchase orders issued to certified small businesses because they are exempt from the Procurement Division administrative fee. The fee exemption does not relieve the requirement to send a copy of the purchase order to the CMAS Unit.

The 1.93% also applies to the finance cost for financed transactions. See CMAS Agency Packet, Section 9, for Rental, Finance, and Lease Policies.

The Procurement Division will invoice state and local government agencies directly. The administrative fee is:

- Not included in the purchase order
- Not invoiced by the Contractor
- Not remitted by the agency before an invoice is received

The agency can ask the Contractor to pay the administrative fee (contractor may decline). In this case, the agency forwards the Procurement Division invoice to the Contractor and the Contractor issues a check to the Procurement Division for the invoice amount.

When the total of the agency purchase order is higher than the invoiced amount, the agency must issue an amendment to the purchase order to lower the total amount or DGS/PD will bill the administrative fee against the original higher total.

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## CMAS AGENCY PACKET

### SECTION 6 – PAYMENTS AND INVOICES

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#### **Progress Payments**

A progress payment is a partial payment for a portion or segment of the work needed to complete a task.

To determine whether a particular task is separate and distinct, you must decide if later tasks build on it.

#### **a. Special Goods and Information Technology Products and/or Services**

Any contract for goods (Public Contract Code 10314) or information technology products and/or services (Public Contract Code 12112), to be manufactured or performed by the Contractor especially for the State and not suitable for sale to others in the ordinary course of the Contractor's business may provide, on such terms and conditions as the department deems necessary to protect the State's interests, for progress payments for work performed and costs incurred at the Contractor's shop or plant, provided that not less than 10 percent of the contract price is required to be withheld until final delivery and acceptance of the goods or services, and provided further, that the Contractor is required to submit a faithful performance bond, acceptable to the department, in a sum not less than one-half of the total amount payable under the contract securing the faithful performance of the contract by the Contractor.

#### **b. Non-Information Technology Services**

Any contract for non-information technology services (Public Contract Code 10346) may provide for progress payments to contractors for work performed or costs incurred in the performance of the contract. Not less than 10 percent of the contract amount shall be withheld pending final completion of the contract. However, if the contract consists of the performance of separate and distinct tasks, then any funds so withheld with regard to a particular task may be paid upon completion of that task.

Recommended policy for state agencies:

- Discourage progress payments whenever possible.
- Do not allow progress payments on purchase orders for less than three months.
- If progress payments are to be made, they should be made not more frequently than monthly in arrears or at clearly identifiable stages of progress, based upon written progress reports submitted with the Contractor's invoices.
- Progress payments shall not be made in advance of services rendered.
- Purchase orders may require a withhold of ten percent (10%) of each progress payment pending satisfactory completion of the purchase order or a separate and distinct task.

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#### **Contractor Name/Ownership Change**

Many contractors are changing name and ownership status. The company name on the CMAS contract, purchase order and invoice must match or the State Controller's Office will not approve payment. Do not approve invoices if the company name varies between these documents. Contractors must contact the CMAS Unit to initiate a legal name change for their CMAS contract.

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## CMAS AGENCY PACKET

### SECTION 6 – PAYMENTS AND INVOICES

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#### **Required Payment Date**

Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927 et. seq. Unless expressly exempted by statute, the Act requires state agencies to pay properly submitted, undisputed invoices not more than 45 days after (i) the date of acceptance of goods or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.

Disputed invoices should be returned immediately to the Contractor for correction.

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#### **Maintenance Sales Tax**

The Board of Equalization has ruled that in accordance with Regulation 1546 of the Sales and Use Tax Regulations of the Business Taxes Law Guide, that whenever optional maintenance contracts include consumable supplies, such supplies are subject to sales tax.

Generally, the State has two options:

1. For contracts that provide for only maintenance services (i.e., the furnishing of labor and parts necessary to maintain equipment), the charges for the provision of maintenance services are not taxable.
2. For contracts that provide for both maintenance services and consumable supply items (i.e., toner, developer, and staples, for example), the provision of the consumable supplies is considered a taxable sale of tangible personal property. Therefore, state agencies awarding optional maintenance contracts are responsible for paying the applicable sales tax on the consumable supplies used during the performance period of the maintenance contract.

The Contractor will be required to itemize the consumables being taxed for state accounting purposes.

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## CMAS AGENCY PACKET

### SECTION 7 – TELECOMMUNICATIONS DIVISION CONTRACT CNT-001

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**Contract CNT-001**

The services listed below are on the Department of General Services, Telecommunications Division Contract CNT-001.

These services are mandatory for all state agencies subject to the Department of Information Technology Management Memo 97-01.

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**Voice Network Services**

Local Usage	International Toll Free
Long Distance VNET	900 Service
Long Distance Access	Operator Services
Advanced Intelligent Network (AIN)	Calling Card
Toll Free	PrePaid Calling Card
Enhanced Toll Free	Centrex Audio Conferencing
800 Enhanced Call Routing (ECR)	Audio Conferencing

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**Line Side Services**

Business Access Line	Custom Local Signaling Services (Class)
Centrex	Interactive Voice Response (IVR) and Call Router
ISDN	Automated Attendant/Call Routing
Account Codes	ACD
PBX Trunks	ACD/MIS
Super Trunk Service	Announcement/Music in queue
Voice Mail	Computer Interface (CompuCall) Service
	Intelligent Call Routing

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**Data Services**

Dedicated Services	Frame Relay Service and Asyn. Transfer Mode Data Services
Extended Dedicated Services	InterLATA Frame Relay & ATM
SONET (Synchronous Optical Network)	Extended Frame Relay
Ring and Access Services	
ISDN	Managed Frame Relay
Primary Rate (ISDN)	Managed Extended Frame Relay
Switched 56	
Switched T1/T3	Extended ATM

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**Additional Services**

Billing Products

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## CMAS AGENCY PACKET

### SECTION 7 – TELECOMMUNICATIONS DIVISION CONTRACT CNT-001

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**Management  
Memo 97-01**

Management Memo 97-01 requires agencies to utilize contracts issued by the Telecommunications Division to obtain voice and data services and to use consolidated services wherever available.

In addition, agencies are required to request approval and/or project delegation from the Telecommunications Division for the following:

Teleconferencing/video conferencing

PBX telephone systems

Hybrid telephone systems with trunk connections

Hybrid telephone systems to be installed behind a consolidated system

Stand alone ACD or Voice Mail systems connected to consolidated systems

Data Transport outside of the consolidated Frame Relay Services

Request for Proposal or Invitation for Bid for telecommunications equipment and services

Telecommunications consulting services

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**Can CMAS be  
used for  
equipment  
purchases?**

Yes.

Once approval has been obtained from the Telecommunications Division, the equipment may be procured through CMAS or any other authorized procurement method.

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**CMAS AGENCY PACKET**  
**SECTION 8 – USEFUL WEB SITES**

<b>Department of Finance</b>	<a href="http://www.dof.ca.gov">www.dof.ca.gov</a>
<b>CMAS Internet Address</b>	<a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a> (click on CMAS)
<b>CMAS Small Business Partners</b>	<a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a> (click on CMAS; go to Small Business Partners)
<b>Contractor License Status Inquiry System</b>	<a href="http://www2.cslb.ca.gov">www2.cslb.ca.gov</a>
<b>Federal General Services Admin. (GSA)</b>	General Information: <a href="http://www.gsa.gov">www.gsa.gov</a> Search: <a href="http://www.gsaelibrary.gsa.gov">www.gsaelibrary.gsa.gov</a>
<b>California Codes and Laws</b>	<a href="http://www.leginfo.ca.gov">www.leginfo.ca.gov</a>
<b>Governor Gray Davis Executive Orders</b>	<a href="http://www.ca.gov">www.ca.gov</a> (click on Governor's picture Click on Press Room)
<b>Office of Small Business &amp; DVBE Certification</b>	<a href="http://www.pd.dgs.ca.gov/smbus">www.pd.dgs.ca.gov/smbus</a>
<b>Procurement Division Phone Directory</b>	<a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a> (select Directory)
<b>STD 65 Contract/Delegation Purchase Order Form</b>	<a href="http://www.osp.dgs.ca.gov/pdf/std065.pdf">www.osp.dgs.ca.gov/pdf/std065.pdf</a>
<b>State Contracting Manual (SCM)</b>	<a href="http://www.dgs.ca.gov/ols">www.dgs.ca.gov/ols</a> (click on Contracting Manual)
<b>State Admin. Manual</b>	<a href="http://www1.osp.ca.gov/sam/00000.htm">www1.osp.ca.gov/sam/00000.htm</a>

## CMAS AGENCY PACKET

### SECTION 9 – RENTAL, FINANCE AND LEASE POLICIES

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<b>State of California's Financial Marketplace</b>	All CMAS purchase orders may qualify for financing and leasing via the State of California's financial marketplace, managed by the Department of General Service's Procurement Division. Both programs can be found through the Procurement Division's Home Page: <a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a>
<b>Web Site</b>	<p>All documentation and procedures for both programs can be found through the Procurement Division's Home Page: <a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a></p> <p><u>Agencies without Internet access may call 916/375-4617</u> for a facsimile copy of the key Internet information (list of participating lenders, rates and payment information for 36, 48, 60 or 84 month terms and participating lessors and current lease factors).</p>
<b>Administrative Fee/Cost</b>	<p>There is no longer a set fee of \$2,000 for using GS \$Mart™ or Lease \$Mart™.</p> <p>The CMAS administrative fee of 1.93% will be charged against the total purchase order amount, including finance and lease costs.</p>
<b>Federal Lease to Own Purchase (LTOP)</b>	<p>Federal Lease to Own Purchase (LTOP) and hardware rental provisions with no residual value owed at end term are acceptable (\$1 residual value at the end of the term).</p> <p>This alternative financing arrangement may be faster, but a more expensive alternative to GS \$Mart™ or Lease \$Mart™.</p> <p>The following requirements apply to the use of any Lease to Own Purchase (LTOP) Plans.</p> <p>Cancellation of a lease for lack of funds should only be done when the organization is no longer funded. Court decisions have held that Terminations for Convenience should only be employed when the agency no longer has a requirement for the equipment. Example: An employee has retired and the position will not be filled so now there is a piece of equipment that is not needed. In other words, a desire for something different, newer, or better is not a justification for the premature cancellation of a lease.</p>
<b>Federal Lease Provisions</b>	Except for LTOPS, federal GSA lease provisions are NOT acceptable and cannot be sold through CMAS because the rates and contract terms are unacceptable and not applicable to the State.

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## CMAS AGENCY PACKET

### SECTION 10 – STATEWIDE PROCUREMENT REQUIREMENTS

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#### **Applicable Codes, Policies, and Guidelines**

All procurement codes, policies, and guidelines are applicable. Using the CMAS program does not reduce or relieve state agencies of their responsibility to meet statewide procurement requirements.

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#### **We Cover Most Requirements**

Almost all procurement and contract codes, policies, and guidelines are covered in the CMAS contracts. If we are unable to incorporate the code, policy, or guideline into the contract, we alert you to this fact. It is important that you READ THE CONTRACT.

Notwithstanding the above, we do not guarantee that we have covered “every” possible requirement that pertains to all the different and unique state processes. Review our contracts carefully to determine whether we have covered your requirements because ultimately you are responsible for ensuring compliance.

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#### **Department of Finance (DOF)**

Approval from the Department of Finance (DOF) is required for:

- Procurement of major information technology systems pursuant to SAM Section 4819.39
  - Purchase of imaging equipment that exceeds \$25,000
  - Purchase of used information technology equipment
- 

#### **Special Attention**

Special attention should be given to the following requirements:

- Certifications are required for information technology procurements that cost \$10,000 or more and are in support of a development effort pursuant to SAM Sections 4819.41 and 4832 (see CMAS Agency Packet, Attachment C).
  - Automated Accounting System requirements of SAM Section 7260-62.
  - Productive Use Requirements of SAM Section 5203 for information technology products (see CMAS Agency Packet, Attachment E).
  - Services may not be paid for in advance (Government Code 11256-11263 and 11019).
  - Agencies must adhere to the guidelines in SAM Section 2120 and 2121 for servicing office equipment.
  - Agencies are required to file with the Department of Fair Employment and Housing (DFEH) a Contract Award Report Std. 16 for each order over \$5,000 within 10 days of award, including amendments that exceed \$5,000. The DFEH Compliance Program may be contacted at 916/227-2888.
  - Consultant report due annually by August 12. Public Contract Code Section 10359 requires state agencies to report their Consulting Services Contract activity for the preceding fiscal year to DGS and the six legislative committees and individuals that are listed on the annual memorandum from DGS.
  - State Telecommunications Management Manual (STMM) Chapter 0209.0 requirement for agencies to provide the DGS Telecommunications Division a copy of the feasibility study report for information technology projects which also incorporate telecommunications services and equipment.
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SECTION 10 – STATEWIDE PROCUREMENT REQUIREMENTS

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**Special  
Attention  
(Continued)**

- The purchase of all radio and related electronic equipment requires the Department of General Services, Telecommunications Division technical review and approval (SAM Section 4530). In addition, service manuals are required when DGS-TD will maintain the equipment.
  - Pursuant to Public Contract Code Section 12156 state agencies are prohibited from purchasing printer or duplicator cartridges that cannot be recycled except by a specified manufacturer, wholesaler, retailer or other remanufacturer.
  - Disabled Veteran Business Enterprise (DVBE) report is due annually by January 14. Public Contract Code 10115 et. seq. requires state agencies to have overall annual participation goals of not less than three percent for DVBEs.
  - Small business report due annually by August 1. The Small Business Procurement and Contract Act (SBPCA), Government Code 14835, provides that a fair share of state purchases and contracts or subcontracts for property and services be placed with small business enterprises.
  - Post evaluation reports. Public Contract Code 10369 requires state agencies to prepare post evaluations on form STD 4 for all completed consulting services contracts of \$5,000 or more. Copies of negative evaluations must be sent to the DGS Office of Legal Services. The Bureau of State Audits requires state agencies annually to certify compliance with these requirements.
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**Employment  
Development  
Department  
Reporting  
Requirements**

State and local government agencies must report to the Employment Development Department (EDD) all payments for services that equal \$600 or more to independent sole proprietor contractors. See the Contractor's Std. Form 204, Payee Data Record, in the CMAS contract to determine sole proprietorship.

Also Report:

- Contracts entered into prior to December 31, 2000 but payments equal \$600 or more after January 1, 2001.
- Multiple contracts less than \$600 each annually, but in the aggregate more than \$600.

When to report:

Within 20 days of payment or within 20 days of entering into the contract for \$600 or more, or if there is no contract, within 20 days of when the payments total \$600 or more in any calendar year, whichever occurs sooner.

To meet this requirement, reporting must be done at least twice a month.

All inquiries regarding this subject should be forwarded to EDD:

Magnetic media questions: 916/651-6945  
Information and forms: 916/657-0529

Required Form: [edd.ca.gov](http://edd.ca.gov) (click on Contractor Reporting Requirements)  
Magnetic Media Reporting Requirements: [edd.ca.gov/de542m.pdf](http://edd.ca.gov/de542m.pdf)

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# CMAS AGENCY PACKET

## SECTION 11 –SERVICES

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### What are Personal or Consulting Services?

Personal Services – Purchase orders for services that have someone doing something, e.g., maintenance services, cleaning services, waste removal services.

Consulting Services – Purchase orders for services of an advisory nature that provide a recommended course of action or personal expertise (product of the mind).

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### Outsourcing Services

State agencies must give careful analysis to using contracted personnel rather than using civil service positions within state government.

The State Constitution generally requires contracting to be limited to those services that cannot be performed by civil service employees except as provided for in Government Code 19130.

See CMAS Agency Packet, Attachment H, Outsourcing Services.

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### Public Works

Physical layer cable installation, carpet installation, skylight installation (any change to a public structure) is considered public works. Agency CMAS purchase orders may allow for a public works component only when it is incidental to the overall project requirements. See CMAS Agency Packet, Section 16, Public Works Projects.

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### Statement of Work (SOW)

Purchase orders for consulting services must include a Statement of Work (SOW).

See CMAS Agency Packet, Attachment G, Instructions for Preparing a Statement of Work (SOW).

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### Service and Delivery after Contract Expires

The purchase order must be issued before the contract end term. However, delivery of the products or completion of the services may be after the contract end term, but must be as provided for in the contract and as specified in the purchase order.

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### Review Resumes

**Important:** To ensure sufficient expertise, prior to issuing a purchase order, the agency is required to review the resumes of all personnel the Contractor intends to use to fulfill the transaction.

Agencies should verify that the Contractor personnel meet education and/or experience requirements listed in the CMAS contract.

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### Progress Payments

Agencies wishing to allow progress payments for services are required to adhere to the guidelines in the CMAS Agency Packet, Section 6, Progress Payments.

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## CMAS AGENCY PACKET

### SECTION 11 – SERVICES

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#### **Follow-on Contracts Prohibited**

No person, firm, or subsidiary thereof who has been awarded a purchase order for consulting services, or a purchase order that includes a consulting component, may be awarded a purchase order for the provision of services, delivery of goods or supplies, or any other related action which is required, suggested, or otherwise deemed appropriate as an end product of the purchase order (State Administrative Manual, Section 5202 and PCC 10365.5).

Therefore, any consultant that contracts with a state agency to develop a feasibility study or provide formal recommendations for the acquisition of products or services is precluded from contracting for any work recommended in the feasibility study or the formal recommendation.

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#### **Prior Approval Required for Non-IT Services Exceeding \$50,000**

State agency purchase orders (not applicable to local government agencies) for non-information technology services that exceed \$50,000 must be reviewed and approved by the Department of General Services, Procurement Division (DGS/PD) before issuance to the Contractor.

Once the purchase order is approved by DGS/PD, it will be stamped approved and signed by DGS/PD and returned to the agency for issuance to the Contractor.

Contractors are prohibited from accepting purchase orders without the DGS/PD stamp of approval and signature. Violation of this requirement may result in contract termination.

Agencies must send purchase orders that exceed \$50,000 to:

Department of General Services  
Procurement Division, Contract Negotiations Unit  
707 Third Street, Second Floor  
West Sacramento, CA 95605      IMS #Z-1

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#### **Multiple Contractors**

Ideally, agencies will obtain all of their requirements from the same CMAS contractor because unlike the bid process each individual contractor is responsible “only” for their portion (whatever their individual purchase order specifies), not the total solution with everything completed and working together. Even if an agency hires a project manager, the project manager is responsible only for “project management.” Consequently, the agency is solely responsible for the successful integration of all components.

Agencies must develop complete Statements of Work (SOW) that include all necessary requirements. See CMAS Agency Packet, Attachment I for sample language and a list of questions that can be used for developing a Statement of Work.

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#### **Network Design Services**

All network design services must result in a hardware or software solution. Also, all network design services performed by the Contractor that include infrastructure components must be performed by a BICSI certified Registered Communications Distribution Designer (RCDD) employed either by the Contractor or subcontractor. Evidence of RCDD certification may be required by the ordering agency.

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## CMAS AGENCY PACKET

### SECTION 12 – SMALL AND DISABLED VETERAN BUSINESSES AND AMERICANS WITH DISABILITIES (ADA)

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<b>Small/Disabled Veteran Business Certification</b>	The CMAS List of Approved Contractors identifies Small and Disabled Veteran Business Enterprises (S/DVBE) that have been certified by the Office of Small Business and DVBE Certification (OSDC).
<b>Verify Status of Certification</b>	<p>The CMAS Unit substantiates that the Contractor is certified as a small or disabled veteran business when the contract is established, and we indicate in the contract the date the certification expires.</p> <p><u>Before issuing the purchase order, we recommend that the agency re-verify the Contractor's small business and disabled veteran status by calling the Office of Small Business and DVBE Certification (OSDC) at 916/375-4940 or on their web site at <a href="http://www.pd.dgs.ca.gov/smbus">www.pd.dgs.ca.gov/smbus</a>.</u></p>
<b>Administrative Fee Waived for Small Businesses</b>	The Department of General Services, Procurement Division, is waiving the 1.93% administrative fee (a fee currently charged to customer agencies to support the CMAS program) for purchase orders awarded to certified small business enterprises.
<b>Legal Requirement to Consider Small Business</b>	<p>Prior to placing purchase orders under the California Multiple Award Schedules program, state agencies shall whenever "practicable" first consider offers from small businesses that have established CMAS contracts (Government Code Section 14846(b)).</p> <p>NOTE: The Department of General Services will request substantiation of compliance during a compliance review.</p>
<b>Participation Goals</b>	The total amount of each order issued to a certified S/DVBE counts towards the agency participation goal.
<b>Small Business Report</b>	Small business report due annually by August 1. The Small Business Procurement and Contract Act (SBPCA), Government Code 14835, provides that a fair share of state purchases and contracts or subcontracts for property and services be placed with small business enterprises.
<b>Disabled Veteran Report</b>	Disabled Veteran Business Enterprise (DVBE) report is due annually by January 14. Public Contract Code 10115 et. seq. requires state agencies to have overall annual participation goals of not less than three percent for DVBEs.

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## CMAS AGENCY PACKET

### SECTION 12 – SMALL AND DISABLED VETERAN BUSINESSES AND AMERICANS WITH DISABILITIES (ADA)

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#### **Americans with Disabilities Act (ADA)**

Section 504 of the Rehabilitation Act of 1973 as amended; Title VI and Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act, 42 USC 12101; California Code of Regulations, Title 2,

Title 22; California Government Code, Sections 11135, et seq.; and other federal and state laws and Executive Orders prohibit discrimination.

All programs, activities, employment opportunities, and services must be made available to all persons, including persons with disabilities. See CMAS Agency Packet, Attachment D for the Procurement Division's ADA Compliance Policy of Nondiscrimination on the Basis of Disability.

Individual government agencies are responsible for self-compliance with ADA regulations.

Contractor sponsored events must provide reasonable accommodations for persons with disabilities.

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#### **Small Business/DVBE Subcontracting Participation**

##### **SMALL BUSINESS/DVBE – TRACKING**

State agencies are able to claim subcontracting dollars towards their small business or DVBE goals whenever the Contractor subcontracts a commercially useful function to a certified small business or DVBE. The Contractor will provide the ordering agency with the name of the small business or DVBE used and the dollar amount the ordering agency can apply towards its small business or DVBE goal.

##### **SMALL BUSINESS/DVBE SUBCONTRACTING**

The amount an ordering agency can claim towards achieving its small business or DVBE goals is the dollar amount of the subcontract award made by the Contractor to each small business or DVBE.

The Contractor will provide an ordering agency with the following information at the time the order is quoted:

1. The Contractor will state that, as the prime Contractor, it shall be responsible for the overall execution of the fulfillment of the order.
  2. The Contractor will indicate to the ordering agency how the order meets the small business or DVBE goal, as follows:
    - List the name of each company that is certified by the Office of Small Business and DVBE Certification that it intends to subcontract a commercially useful function to; and
    - Include the small business or DVBE certification number of each company listed, and attach a copy of each certification; and
    - Indicate the dollar amount of each subcontract with a small business or DVBE that may be claimed by the ordering agency towards the small business or DVBE goal; and
-

## CMAS AGENCY PACKET

### SECTION 12 – SMALL AND DISABLED VETERAN BUSINESSES AND AMERICANS WITH DISABILITIES (ADA)

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**Small  
Business/DVBE  
Subcontracting  
Participation  
(Continued)**

- Indicate what commercially useful function the small business or DVBE subcontractor will be providing towards fulfillment of the order.

The ordering agency's purchase order must be addressed to the prime Contractor, and the purchase order must reference the information provided by the prime Contractor from the quotation as outlined above.

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**Web Site**

A list of the CMAS Small Business and Disabled Veteran Partners is on the CMAS Internet web site (through PD's Home Page): [www.dgs.ca.gov/pd](http://www.dgs.ca.gov/pd) (click on CMAS)

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## CMAS AGENCY PACKET

### SECTION 13 – PURCHASE ORDER DOLLAR LIMITS AND SOLICITATION PROCESS

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<b>Not Competitive Bid</b>	CMAS transactions are NOT competitive bid transactions so small business preference, protest language, intents to award, evaluation criteria, advertising, etc. are not required.
<b>Awards Based on Best Value</b>	Agency awards may be based on best value criteria, as applicable, and are not restricted to lowest cost. See Public Contract Code 12100.7 (g).
<b>Order Limits \$250,000 or Less</b>	<p>The order limit for Information Technology (IT) Goods and Services and Non-Information Technology Services is <b>\$250,000</b>.</p> <p>The order limit for Commodities (Non-IT Products) is <b>\$100,000</b>.</p> <p>These transactions are subject to the following requirements:</p> <ul style="list-style-type: none"><li>• For transactions over \$5000, state agencies must solicit and obtain offers from 3 suppliers including 1 small business and/or DVBE if available. If less than 3 offers received (even if only 1), document files with solicitation method used.</li><li>• Only 1 offer is required for CMAS transactions under \$5000 if the state agency can establish and document a fair and reasonable price.</li><li>• If only one source is known (competing offers cannot be obtained), the non-competitive bid contract process must be followed. See MM 02-19, Revision 3, Attachment B. Once the NCB has been approved by DGS/PD, the agency may proceed with a CMAS award.</li><li>• Evaluation and award may be based on best value, as applicable, and not restricted to lowest cost.</li></ul>
<b>Information Technology Order Limits \$250,000 to \$500,000</b>	<p>Purchase orders for <u>Information Technology (IT) Goods and Services</u> from <b>\$250,000</b> to <b>\$500,000</b> are subject to the following requirements:</p> <ul style="list-style-type: none"><li>• State agencies must solicit and obtain offers from 3 suppliers including 1 small business and/or DVBE if available. If less than 3 offers received (even if only 1), documentation of solicitation method used must be included with contract reporting to DGS/PD within 5 days of contract execution.</li><li>• State agencies must use the Notice of Contract Award (NCA) (<a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a>) for reporting within 5 days and include purchase orders and attachments as applicable. Submit to the address as indicated on the NCA.</li><li>• If only one source is known (competing offers cannot be obtained), the non-competitive bid contract process must be followed. See MM 02-19, Revision 3, Attachment B. Once the NCB has been approved by DGS/PD, the agency may proceed with a CMAS award.</li><li>• Approval is required for each transaction by Agency Secretary and Department Director or next highest-ranking official.</li><li>• If GS \$Mart is utilized for financing, DGS/PD approval is required before award.</li></ul>

## CMAS AGENCY PACKET

### SECTION 13 – PURCHASE ORDER DOLLAR LIMITS AND SOLICITATION PROCESS

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<b>No Exemptions</b>	No exemptions to the above order limits will be considered.
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<b>Excluded Costs</b>	Tax, freight and finance costs (if applicable) are excluded from the dollar limits.
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<b>Approval Required for Non-IT Services Exceeding \$50,000</b>	<p>State agency purchase orders (not applicable to local government agencies) for non-information technology services that exceed \$50,000 must be reviewed and approved by the Department of General Services, Procurement Division (DGS/PD) before issuance to the Contractor.</p> <p>Once the purchase order is approved by DGS/PD, it will be stamped approved and signed by DGS/PD and returned to the agency for issuance to the Contractor.</p> <p>Contractors are prohibited from accepting purchase orders without the DGS/PD approval signature. Violation of this requirement may result in contract termination.</p> <p>Agencies must send purchase orders that exceed \$50,000 to the following address for review and approval:</p> <p>Department of General Services Procurement Division, Contract Negotiations Unit 707 Third Street, Second Floor West Sacramento, CA 95605      IMS #Z-1</p>
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<b>CAL-Card Transactions</b>	<p>The CMAS contract will stipulate whether the Contractor accepts the CAL-Card, or not.</p> <p>CAL-Card transactions do not require a Contract/Delegation Purchase Order form (STD. 65).</p> <p>If a purchase document is used, a copy should be attached to the invoice (per the State Controller's Office) for tracking purposes.</p>
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<b>Resellers</b>	Authorized CMAS resellers qualify as independent solicitation offers. That is, the agency can obtain the necessary offers from one CMAS contract with multiple resellers.
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<b>Model Terms and Conditions</b>	Agency changes to CMAS Terms and Conditions require prior approval from DGS/PD.
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## CMAS AGENCY PACKET

### SECTION 14 – PURCHASE ORDER PROCEDURES AND GUIDELINES

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<b>Valid Contract</b>	Notwithstanding the end term on the hardcopy contract, agencies should check the List of Approved Contractors on the CMAS Internet web page ( <a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a> ) click on CMAS) to substantiate that the contract is still active before issuing an order.
<b>Order Splitting</b>	<p>When determining whether your agency should issue one CMAS order or multiple orders, ask yourself how you would bid the transaction (one bid or multiple bids), and follow the same rule of thumb for CMAS orders. For compliance purposes, if the total cost of multiple purchase orders exceeds the above purchase order limits, document why the orders are distinct.</p> <p><u>This determination should also include, as a minimum, consideration of Feasibility Study Reports (FSRs) and Department of Finance (DOF) policies and regulations.</u></p>
<b>Purchase Order Amendments</b>	<p>Purchase orders can be amended with the same contractor as the original purchase order if there is no dollar increase.</p> <p>If there is a dollar increase, the agency must obtain offers from 3 suppliers (following the same guidelines as for the original purchase order) to determine best value for the amended amount. If only one source can meet agency needs, the agency must process a Non-Competitive Bid (NCB) contract for the amended amount. This applies even if the amended total is under the order limit.</p> <p>When the amendment and the original purchase order are with the same contractor, the agency uses a Contract/Delegation Purchase Order (STD. 65) and the same agency order number as the original purchase order, with an amendment # ____.</p> <p>The Contractor is required to reject purchase orders that are not accurate.</p>
<b>Purchase Order Termination</b>	<p>The only CMAS provisions for early termination of a purchase order are in the areas identified below.</p> <ul style="list-style-type: none"><li>• Termination for Convenience (also see Stop Work)</li><li>• 30 day notice for maintenance orders</li><li>• 90 day notice for most copier contracts</li></ul> <p>Agencies may negotiate to include a termination provision in the purchase order before issuance. The Contractor is not legally obligated to accept increased risk.</p>
<b>Delivery of Products and Services</b>	<p>Purchase order must be issued before the expiration of the CMAS contract end term.</p> <p>However, delivery of the products or completion of the services may be after the expiration of the CMAS contract end term (unless specifically stipulated otherwise in the CMAS contract), but must be as provided for in the contract and as specified in the purchase order.</p>

## CMAS AGENCY PACKET

### SECTION 14 – PURCHASE ORDER PROCEDURES AND GUIDELINES

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#### **Multiple Contracts - One Purchase Order Form**

Agencies wishing to include multiple CMAS contracts on a single STD. 65 Contract/Delegation Purchase Order must adhere to the following guidelines:

- All contracts must be for the same CMAS contractor.
  - The purchase order must go to one contractor location.
  - Write the word “CMAS” in the space usually reserved for the contract number. On STD. 65's, this is at the top of the form. The word “CMAS” signifies that the purchase order contains items from multiple CMAS contracts. The purchasing agency may only use one bill code.
  - For each individual contract (as differentiated by alpha suffix), the agency must identify and group together the contract number with the line items and subtotal per contract number (do not include tax in the subtotal), AND sequentially identify each individual contract as Sub #1, Sub #2, Sub #3, etc. This facilitates accurate billing by the Procurement Division.
  - The total of all items on the purchase order must not exceed the purchase order limit identified in the CMAS contract.
  - Do not combine items from both commodity and information technology contracts. Commodity contracts begin with the number “4” and information technology contracts begin with the number “3.” The purchase order limits are different for these two types of contracts.
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#### **Standard Form**

For both products and services, state agencies use a Contract/Delegation Purchase Order Standard Form (STD 65).

Local government agencies use their own standard purchase order forms.

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#### **Direct Link to STD 65**

Direct link to the Standard Form 65:

<http://www.osp.dgs.ca.gov/pdf/std065.pdf>

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#### **Electronic State Standard Forms**

State Standard Forms can be found electronically at the Office of State Publishing web site: <http://www.dgs.ca.gov/osp> (select Standard Forms).

The site provides information on the various forms and use with the Adobe Acrobat Reader. Beyond the Reader capabilities, Adobe Acrobat advanced features may be utilized if you have Adobe Business Tools or Adobe Acrobat 4.0 installed on your computer.

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#### **Where to send purchase order?**

Agencies distribute the completed STD. 65 form as indicated on the bottom of the form (contractor-original, Procurement Division copy, packing slip copy, and agency copy). Mail the Procurement Division copy as issued or monthly to the following address:

Department of General Services  
Procurement Division – Data Management  
707 Third Street, Second Floor, West Sacramento, CA 95605    IMS #Z-1

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## CMAS AGENCY PACKET

### SECTION 15 – NOT SPECIFICALLY PRICED ITEMS (NSP)

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#### **Open Market, Incidental, and Non-Contract Items**

The only time that open market/incidental, non-contract items, may be included in a CMAS purchase order is when they fall under the parameters of the Not Specifically Priced (NSP) Items provision.

If the NSP provision is not included in the CMAS contract, or the products and/or services required do not qualify under the following parameters, the products and/or services must be procured separate from CMAS.

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#### **Subordinate and Peripheral**

The Not Specifically Priced (NSP) Items provision enables the agency to include in the purchase order non-contract products and services that are subordinate and peripheral to the other purchase order items, as follows:

- A purchase order containing NSP items may be issued only if it results in the best value alternative to meet agency needs.
  - Any product or service already specifically priced and identified in the contract may not be identified as a NSP item in a purchase order.
  - All NSP items included in a purchase order issued against a CMAS contract are subject to all the terms and conditions set forth in the contract.
- 

#### **Items Specifically Excluded**

The following NSP items ARE SPECIFICALLY EXCLUDED from any purchase order issued under the contract:

1. Items that are not intended for use in direct support of the CMAS priced items identified in the same purchase order. A NSP item must be subordinate to the specifically priced item that the NSP item is supporting.
  2. Supply type items, except for the minimum amount necessary to provide initial support to the priced CMAS items included in the same purchase order.
  3. Trade-ins and upgrades, involving the swapping of boards, are permissible where the CMAS contract makes specific provisions for this action. In those instances where it is permitted, the purchase order must include the replacement item and a notation that the purchase involves the swapping of a board.
  4. Items that do not meet the Productive Use Requirements for information technology products (see CMAS Agency Packet, Attachment E).
  5. Any other items or class of items that are specifically excluded from the scope of the CMAS contract.
  6. Public Works components that are NOT incidental to the overall project requirements. See CMAS Agency Packet, Section 16, Public Works Projects.
  7. Products or services the Contractor is NOT factory authorized or otherwise certified or trained to provide.
  8. Follow-on consultant services that were previously recommended or suggested by the same contractor.
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## CMAS AGENCY PACKET

### SECTION 15 – NOT SPECIFICALLY PRICED ITEMS (NSP)

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#### **Dollar Limits**

Maximum Dollar Limitation:

**Purchase orders \$250,000 or less:** Total dollar value of all NSP items shall not exceed \$5,000.

**Purchase orders exceeding \$250,000:** Total dollar value of all NSP items shall not exceed 5% of the total cost of the purchase order, or \$25,000, whichever is lower.

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#### **NSP Not Available**

Not all contracts include the NSP provision. The NSP provision is included at the option of the Contractor and the CMAS Unit.

The NSP provision will not be included in contracts for services only.

Agency purchase orders for NSP items only are prohibited.

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#### **Manufacturer Authorization Required**

Agencies must substantiate (through manufacturer authorizations) that the Contractor is an authorized provider of the products and product related services (maintenance, repair) that are offered under the NSP provision.

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#### **Clearly Identify NSP**

The NSP items must be separately listed and clearly identified on the purchase order.

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## CMAS AGENCY PACKET

### SECTION 16 – PUBLIC WORKS PROJECTS

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<b>Definition of a Public Works Project</b>	A public works contract is defined as a contract for “the erection, construction, alteration, repair or improvement of any public structure, building, road or other public improvement of any kind” in accordance with the Public Contract Code (PCC) Section 1101.
<b>Installation of Physical Layer Cable and Carpet</b>	<b>Installation of physical layer cable and carpet is considered public works. The agency purchase order may allow for a public works component only when it is incidental to the overall project requirements.</b>
<b>Applicable Laws and Codes</b>	Agencies are to ensure that the applicable laws and codes pertaining to contractor and sub-contractor licensing, prevailing wage rates, bonding, labor code requirements, etc., are adhered to by prime contractors as well as sub-contractors during the performance under the agency’s CMAS purchase order.
<b>Agency Responsibility</b>	<p>In accordance with Labor Code Section 1773.2, the ordering agency is responsible for determining the appropriate craft, classification or type of worker needed for any contract for public works.</p> <p>Also, the agency is to specify the applicable prevailing wage rates as determined by the Director of the Department of Industrial Relations (DIR). In lieu of specifying the prevailing wage rates, the agency may include a statement on the purchase order that the prevailing wage rates are on file at the agency’s office, and will be made available upon request. <u>The prevailing wage rates are available from the DIR at (415) 703-4774.</u></p>
<b>Verify Status of Contractor’s License</b>	The CMAS Unit substantiates that the Contractor holds the appropriate license when the contract is established. However, the agency must verify that the Contractor’s license is still active and in good standing prior to placing the order by calling the State Contractor’s License Board at 1-800-321-2752 or on their web site at <u><a href="http://www2.cslb.ca.gov">www2.cslb.ca.gov</a></u> .
<b>Prime and Subcontractor Must Be Licensed</b>	When contractor’s licenses are required, the prime <u>and</u> subcontractor (if applicable) must both hold a valid license for the work being performed.
<b>State Contracting Manual</b>	State agencies planning these types of projects need to review the State Contracting Manual (SCM) Section 10 for applicable regulations.

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## CMAS AGENCY PACKET

### SECTION 16 – PUBLIC WORKS PROJECTS

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#### **Bond Requirements**

Public Works: Prior to the commencement of performance, the Contractor must obtain and provide to the State, a payment bond, on Std. Form 807, when the contract involves a public works expenditure (labor/installation costs) in excess of \$5,000.  
(continued)

Such bond shall be in a sum not less than one hundred percent (100%) of the contract price. Forms shall be provided to the Contractor.

See the CMAS Contract General Terms and Conditions, CMAS Public Works Requirements.

See CMAS Agency Packet, Attachment F, Sample Bond Language.

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## CMAS AGENCY PACKET

### SECTION 17 – SHIPPING INSTRUCTIONS

<b>Instructions for State Agencies</b>	The following instructions are applicable to state agencies, not local government agencies that are subject to their own policies and guidelines.
<b>F. O. B. (Free on Board) Destination</b>	When F. O. B. Destination is specified, the freight cost is included in the total price and the purchase order will not indicate a line item cost for freight.
<b>F. O. B. (Free on Board) Origin</b>	When F. O. B. Origin is specified, the freight cost is included as a line item in the purchase order.
<b>F. O. B. Origin Freight Instructions</b>	Before issuing the purchase order, state agencies must contact the Department of General Services, Transportation Management Unit, at <b>916/928-5842</b> to determine the routing of freight shipments when F. O. B. Origin is specified.
<b>Information Needed</b>	<p>The following information is needed by Transportation Management:</p> <ul style="list-style-type: none"><li>• Point of origin and destination</li><li>• Commodity being shipped</li><li>• Estimated shipping weight</li><li>• Account number when shipping overnight</li></ul>
<b>Ground Transportation</b>	All shipments will be made by ground transportation unless otherwise specified on the purchase order.
<b>Shipping Instructions</b>	<p>The routing information provided by Transportation Management must be shown on the face of the purchase order in the following format:</p> <p>Contractor route via _____ Carrier's telephone number _____ Annotate bill(s) of lading as follows:</p> <p>"Freight for account of State of California. Tender Number _____ applies. State of California Purchase Order Number _____ SHIP FREIGHT COLLECT." Estimated freight charges: _____ If contractor is unable to use this carrier, call Transportation Management at 916/928-5842.</p>

## CMAS AGENCY PACKET

### SECTION 17 – SHIPPING INSTRUCTIONS

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#### UPS Shipping Instructions

The following statement must be noted on the purchase order when the commodities are being shipped via UPS (United Parcel Service) and the State is paying directly to UPS (collect).

Contractor route via United Parcel Service (surface)

State of California, Department of \_\_\_\_\_

UPS account number applies.

State of California Purchase Order Number \_\_\_\_\_

SHIP COLLECT

Estimated UPS charges: \_\_\_\_\_

If Contractor is unable to use UPS, call Transportation Management at 916/928-5842.

**Contractor note: Additional shipping costs incurred by deviation to the above shipping instructions, without Transportation Management approval, shall be charged to the Contractor.**

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## CMAS AGENCY PACKET

### SECTION 18 – AGENCY COMPLIANCE

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#### **Compliance Focus**

The Procurement Division, Acquisition Quality Assurance Program (AQAP) Unit, conducts periodic compliance reviews of an agency's procurement programs. These reviews are conducted on-site at the agency location.

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#### **What is Reviewed?**

Agencies must have evidence of the following available for review:

- Does the Contractor have a CMAS contract?
  - Does the file contain a copy of the contract and the individual price pages for the items purchased?
  - Was "best value" documented?
  - Was pricing bundled?
  - Are the prices, position titles, skill levels and hourly rates delineated and do they correlate with those specified in the CMAS contract?
  - Does the dollar amount fall within order limits?
  - Does the purchase order reflect the correct contract number?
  - Is a STD. 204 included or referenced in the file documentation?
  - Were small businesses considered?
  - Was a Statement of Work included?
  - Was conflict of interest considered (see CMAS Agency Packet, Attachment J), if applicable.
- 

#### **File Documentation**

Departments must have a complete copy of CMAS contracts in use, including all terms and conditions, located in their purchasing unit. All CMAS transaction documents must have attached the face cover of the CMAS contract showing the effective date, and the price pages showing the base contract price for all items ordered.

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#### **Contractor Compliance Reviews**

The following is provided for agency information only.

The Acquisition Quality Assurance Unit also conducts contractor compliance reviews. The agency is not involved in these reviews.

Be aware that contractors are required to return to the agency any purchase order that is non-compliant with the provisions of the contract at which point an amendment would be required to correct the information, or a new purchase order drafted.

The types of compliance issues reviewed are: Overcharging? Are the products and services on the contract and delineated by product/model, hourly rate, position title, or skill level as specified in the contract? Are prices bundled? Is the appropriate CMAS contract being used and in good standing? Have all Quarterly Reports been submitted?

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## CMAS AGENCY PACKET

### ATTACHMENT A - CMAS WEB SITE SEARCH INSTRUCTIONS

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**Web Site** Go to [www.dgs.ca.gov/pd](http://www.dgs.ca.gov/pd) and click on:

- CMAS
  - Find a CMAS Contract
  - New CMAS Search
- 

**Limited Descriptors**

The CMAS database limits contract descriptors to a maximum of 12. More products and services may be available on the contract.

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**Basic Search**

**Search by Product/Service Description**

- Click on **CMAS Product/Service**
- Click on **View Products/Services** (scroll list and click on what you need and then scroll back to the top and click on "**here**" to populate the search field.)
- Click on box for **Small Business (S/B)** and/or **Disabled Veteran Business Enterprise (DVBE)** if applicable.
- Click on **Search** button
- Contracts (if any found) will be displayed in a new window (click on contract number for details).

**A hardcopy of the Products and Services Codes may be obtained by calling the CMAS Unit at 916/375/4363.**

**Search by Contractor Name**

- Click on **Contractor Name**
  - Enter partial or full name of contractor
  - Click on box for **Small Business (S/B)** and/or **Disabled Veteran Business Enterprise (DVBE)** if applicable.
  - Contracts (if any found) will be displayed in a new window (click on contract number for details).
- 

**Advanced Search**

Click on **Advanced Search** (towards top of screen). Under **Select Search Scope**, click on following search options:

- **Any** (default) – Displays pages that contain the words (in any order) in the search box. For personal computers, all pages that contain either personal or computer will be displayed.
  - **All** – Displays pages that contain the words in the search box. For personal computers, all pages that contain both personal and computers will be displayed.
  - **Exact Phrase** – Displays pages that contain the exact words (in the exact order) as in the search box.
-

## CMAS AGENCY PACKET

### ATTACHMENT A - CMAS WEB SITE SEARCH INSTRUCTIONS

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#### Advanced Search (Continued)

The following options are available. Once the option has been selected, click the "SEARCH" button to execute search.

- For **CMAS Product/Service Search**, click here and enter product/service description (complete phrases, multiple terms, or partial word like micro is acceptable). For the most accurate results, type in the product/service description as it appears in **View Codes**. Click on **View Codes** for a list of descriptions.
- For **CMAS Contractor Name**, click here and enter complete or partial names.
- For a list of only **Small Business (SB)** and/or **Disabled Veteran Business Enterprises (DVBE)**, click the appropriate box.
- For **CMAS Contract Number Search**, click here and enter the CMAS contract number (X-XX-XX-XXXXA).
- For **Contractor Location Search** by city, click here.
- For **Contract Category Search**, click here and using the drop down menu search by contract category. Categories are general descriptions like Telecommunication Equipment or Non-Information Technology services.

Contracts (if any found) will be displayed in a new window (click on contract number for details).

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#### Search Within Results

Use the initial search results and click on **Search Within Results** at the top of the screen. Enter any part or all of the **CMAS Product/Service Codes** to further refine your search.

Once the option has been selected, click the "**SEARCH**" button to execute search.

Contracts (if any found) will be displayed in a new window (click on contract number for details).

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## CMAS AGENCY PACKET

### ATTACHMENT B – LOCAL GOVERNMENT AGENCY USAGE

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<b>Legislation</b>	<p>Public Contract Code Sections 10290 et seq. and 12101.5 include approval for local government agencies to use CMAS for both information technology and non-information technology products and services.</p> <p>AB 2866 and AB 1684 authorize local government agencies and school districts to use CMAS and other Department of General Services agreements without competitive bidding.</p>
<b>Who Qualifies?</b>	<p>Any city, county, city and county, district, or other local governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges, empowered to expend public funds.</p>
<b>Local Government Agency Packet</b>	<p>Local government agencies can obtain a copy of the Local Government Agency Packet online at <a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a> (click on CMAS) or call the CMAS Unit at 916/375-4363 to obtain a hardcopy.</p>
<b>Contractor Option</b>	<p>As specified in the CMAS contract, it is at the option of the Contractor whether or not to extend the CMAS contract to local government agencies.</p>
<b>Quarterly Reports</b>	<p>Contractors must report all local government agency transactions in their quarterly reports.</p>
<b>Use Own Guidelines</b>	<p>While we make the CMAS program available to local government agencies, each local government agency should make its own determination whether the CMAS program is consistent with their procurement policies and regulations.</p> <p>For example, local government agencies, education and special districts will pay travel per diem according to their statutory requirements.</p>
<b>Use Own Order Limits</b>	<p>Local government agencies are NOT subject to the CMAS maximum order limits, but should make a determination of order limits that are consistent with their own policies and procedures.</p> <p>Local government agencies <b>are</b> subject to the Not Specifically Priced (NSP) Items dollar limits.</p>
<b>Use Own Order Forms</b>	<p>Local government agencies use their own purchase order forms (in lieu of the State's STD. 65 Contract Delegation/Purchase Order Form), and issue it directly to the CMAS contractor via mail or facsimile.</p>

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## CMAS AGENCY PACKET

### ATTACHMENT B – LOCAL GOVERNMENT AGENCY USAGE

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#### **Administrative Fee and Billing (Waived for Certified Small Businesses)**

The Department of General Services will bill each state and local government agency for use of CMAS contracts equal to 1.93 percent of the total value of each purchase order, except for purchase orders issued to certified small businesses because they are exempt from the Department of General Services administrative fee. The fee exemption does not eliminate the requirement to send a copy of the purchase order to the CMAS Unit.

The 1.93 percent also applies to the finance cost for financed transactions. See Section 9, Rental, Finance, and Lease Policies.

The Department of General Services (DGS) will invoice state and local government agencies directly. The administrative fee is:

- Not included in the purchase order
- Not invoiced by the Contractor
- Not remitted by the agency before an invoice is received

The agency can ask the Contractor to pay the administrative fee (contractor may decline). In this case, the agency forwards the Procurement Division invoice to the Contractor and the Contractor issues a check to the Procurement Division for the invoice amount.

When the total of the agency purchase order is higher than the invoiced amount, the agency must issue an amendment to the purchase order to lower the total amount or DGS/PD will bill the administrative fee against the original higher total.

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#### **Where to Send Copies?**

Local government agencies are required to send a copy of the purchase order to:

Department of General Services  
Procurement Division – Data Management  
707 Third Street, Second Floor  
West Sacramento, CA 95605      IMS # Z-1

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## CMAS AGENCY PACKET

### ATTACHMENT C – CERTIFICATION OF COMPLIANCE WITH STATE POLICIES

<b>When is a certification required?</b>	<p><u>This requirement does not apply to local government agencies.</u> For state agencies, a signed certification of compliance with state information technology policies is required for all information technology procurements that cost \$10,000 or more and are in support of a development effort.</p>
<b>What is a development effort?</b>	<p>Development is defined in the State Administrative Manual (SAM) Section 4819.2 as "Activities or costs associated with the analysis, design, programming, staff training, data conversion, acquisition, and implementation of new information technology applications." Procurements of hardware, software, and services (including interagency agreements) are included in this requirement.</p>
<b>When is a certification not required?</b>	<p>A certification is not required for:</p> <ul style="list-style-type: none"><li>• Procurements for less than \$10,000</li><li>• Procurements limited only to maintenance services</li><li>• Procurements in support of previously approved efforts. See SAM Section 4819.40</li><li>• Procurement of services to conduct a feasibility study, provided the services are limited to supporting or conducting the feasibility study and/or preparing the feasibility study report (SAM Sections 4927 and 4928)</li><li>• Procurements of/for excluded activities as described in SAM Section 4819.32</li></ul>
<b>Who completes the certification?</b>	<p>The certification must be completed by the agency that will directly utilize the procured goods or services.</p>
<b>Signature Authority</b>	<p>Signature authority certifications for procurements of \$100,000 or more <b>MUST</b> be signed by the agency Director or by a member of agency management specifically designated by the Director for this purpose.</p> <p>The agency Director, the Director's designee, or any agency staff authorized to contractually obligate funds may sign certifications for procurements under \$100,000.</p>
<b>What Does NOT Constitute Approval?</b>	<p>Submission of a FSR to Department of Finance (DOF) or to the agency Director does NOT constitute project approval.</p> <p>Submission of a Workgroup Computing Justification Form to DOF or the agency Director does not constitute approval of a microcomputer commodity acquisition.</p>
<b>What Constitutes Approval?</b>	<p>Approval requires an approval letter from DOF or, for delegated projects, an approval letter signed by the agency Director or the Director's designee.</p>

## CMAS AGENCY PACKET

### ATTACHMENT C – CERTIFICATION OF COMPLIANCE WITH STATE POLICIES

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<b>Justification and Approval</b>	<p>The certification must reference one of the following with respect to the justification and approval of the proposed procurement:</p> <ul style="list-style-type: none"><li>• If the procurement is the result of a DOF-approved Feasibility Study Report (FSR), the project is currently under development, and the Post-Implementation Evaluation Report (PIER) has not yet been approved, mark the "DOF-Approved FSR" box and provide the DOF project number and the title and approval date of the FSR. If the procurement is the result of an agency-approved FSR, mark the "Agency-Approved FSR" box and provide the agency project number, the title and approval date of the FSR.</li><li>• If the procurement is being carried out in conjunction with the agency's approved Workgroup Computing Policy, provide the title and approval date of the Workgroup Computing Justification Form.</li></ul> <p>If the procurement is an interagency agreement to procure services from a consolidated data center in support of multiple projects, it must be certified that: (1) the funding level is appropriate for the nature and scope of the services to be supplied; (2) the services are consistent with approved FSRs and/or PIERs; and (3) project reporting for the various projects is current.</p>
<b>State Administrative Manual (SAM) Online</b>	<p>The State Administrative Manual (SAM) can be accessed online at the following address:</p> <p><a href="http://www1.osp.ca.gov/sam/00000.htm">www1.osp.ca.gov/sam/00000.htm</a></p>
<b>Where to send Certification?</b>	<p>The original signed certification must be included in the agency purchase order file for future substantiation of compliance.</p>

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## CMAS AGENCY PACKET

### ATTACHMENT C – CERTIFICATION OF COMPLIANCE WITH STATE POLICIES

The required format for the certification is provided in SAM Section 4832 and below

#### CERTIFICATION OF COMPLIANCE WITH POLICIES PURSUANT TO SAM SECTIONS 4819.41 AND 4832

I hereby certify that I am the agency Director or designee; that the matters described herein are in compliance with the criteria and procedures for information technology prescribed in SAM; any acquisitions of new or enhanced information technology capabilities are consistent with project justification approved by DOF, myself or my designee; and that the foregoing statements are true to the best of my knowledge and belief.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature and Title - indicate Director or designee)

#### JUSTIFICATION AND APPROVAL REFERENCE INFORMATION

\_\_\_ DOF-Approved FSR

\_\_\_\_\_  
DOF Project#

\_\_\_\_\_  
Approval Date

\_\_\_ Agency-Approved FSR

\_\_\_\_\_  
Agency Project#

\_\_\_\_\_  
Approval Date

\_\_\_ WCJF

\_\_\_\_\_  
WCJF#

\_\_\_\_\_  
Approval Date

\_\_\_\_\_  
Project Title

#### \_\_\_ DATA CENTER INTERAGENCY AGREEMENT

This is an interagency agreement to procure services from a consolidated data center, it involves multiple projects; the funding level is appropriate, and the nature and scope of services to be supplied by the data center are consistent with the various approved FSRs and PIERS of this agency; and the required project reporting associated with each active project is current.



## CMAS AGENCY PACKET

### ATTACHMENT D – AMERICANS WITH DISABILITIES ACT (ADA) NOTICE

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#### ADA Policy

The following outlines the Department of General Services, Procurement Division, Americans with Disabilities Act (ADA) policy of nondiscrimination on the basis of disability:

**To meet and carry out compliance with the nondiscrimination requirements of the Americans with Disabilities Act (ADA), it is the policy of the Procurement Division (within the State Department of General Services) to make every effort to ensure that its programs, activities, and services are available to all persons, including persons with disabilities.**

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#### Phone Numbers for Help

For persons with a disability needing a reasonable accommodation to participate in the procurement process, or for persons having questions regarding reasonable accommodations for the procurement process, please call the following numbers:

- Procurement Division at: 916-375-4400 (main office)
  - Procurement Division TTY/TDD (telephone device for the deaf)
    - Sacramento Office: 916-376-1891
    - Fullerton Office: 714-773-2093
  - California Relay Service
    - Voice: 1-800-735-2922 or 1-888-877-5379
    - TTY: 1-800-735-2929 or 1-888-877-5378
    - Speech to Speech: 1-800-854-7784
- 

#### Advance Notice

**IMPORTANT: To ensure that we can meet your need, it is best that we receive your request at least 10 working days before the scheduled event (i.e., meeting, conference, workshop, etc.) or deadline due date for the procurement document.**

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## CMAS AGENCY PACKET

### ATTACHMENT E – STATE PRODUCTIVE USE REQUIREMENTS FOR INFORMATION TECHNOLOGY PRODUCTS

CMAS products have met the following Productive Use Requirements by the time the CMAS contract is established. However, this is not the case for Not Specifically Priced (NSP) Items. State agencies must ensure that all NSP products meet the following requirements before adding them to a purchase order.

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**Productive Use Requirements for Information Technology Products**

The elapsed time that equipment or software must have been in operation is based upon the importance of the equipment or software for system operation and its cost.

Each equipment or software component must be in current operation for a paying customer. The paying customer must be external to the Contractor's organization (not owned by the Contractor and not owning the Contractor).

Categories 1 and 2 below designate product categories and the required period of time for equipment or software operation before replacement products and NSP items are acceptable.

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**Category 1 – Critical Software**

Critical software is software that is required to control the overall operation of computer system or peripheral equipment. Included in this category are operating systems, database management systems, language interpreters, assemblers and compilers, communications software and other essential system software.

**Cost**

**Prior Operation**

- (1) More than \$100,000
- (2) \$10,000 up to \$100,000
- (3) Less than \$10,000

8 months  
4 months  
1 month

---

**Category 2 – Information Technology Equipment and Non-Critical Software**

Information technology equipment is defined in SAM Section 4819.2.

**Cost**

**Prior Operation**

- (1) More than \$100,000
- (2) \$10,000 up to \$100,000
- (3) Less than \$10,000

6 months  
4 months  
1 month

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**Compliance Substantiation**

To enable substantiation of compliance with the Productive Use Requirements, the Contractor must provide the name and address of the applicable customer installation and the name and telephone number of a contact person.

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ATTACHMENT F – SAMPLE BOND LANGUAGE

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**Bonds and  
Other Security  
Documents**

Agencies may require that the Contractor submit one of the following documents prior to issuance of the purchase order. The Contractor should be informed immediately if one of these documents is required since they are responsible for the associated cost.

Letter of Bondability; or  
Letter of Certificate of Deposit; or  
Letter for Irrevocable Letter of Credit; or  
Performance Bond; or  
Certificate of Deposit; or  
Irrevocable Letter of Credit

**1. Letter of Bondability**

The Letter of Bondability shall be from an admitted Surety Insurer which states the surety unconditionally offers to guarantee to the extent of \_\_\_\_\_ percent (XX%) of the contract price, the Contractor's performance in all respects of the terms, conditions, provisions, and that within twenty-one (21) calendar days after the date of the order, the surety will execute the faithful Performance Bond requirement.

**2. or 3. Letter of Certificate of Deposit/Letter for Irrevocable Letter of Credit**

The letter, guaranteeing issuance of either a Certificate of Deposit or an Irrevocable Letter of Credit, shall be from a bank doing business in this state and shall be insured by the Federal Deposit Insurance Corporation and shall state that if the Contractor is successful, a Certificate of Deposit or an Irrevocable Letter of Credit, as appropriate, in the amount of \_\_\_\_\_ percent (XX%) of the contract price will be furnished to the State within twenty-one (21) calendar days after the date of the order.

**4. Performance Bond**

The Contractor shall furnish to the Deputy Director (indicate agency and division), at no cost to the State, a faithful Performance Bond, in the amount of \_\_\_\_\_ percent (XX%) of the order. The bond shall be on a form from an admitted surety insurer and must guarantee contractor's compliance with the terms of this contract.

**5. Certificate of Deposit**

The Certificate of Deposit shall be a Security Deposit Time Certificate of Deposit from a bank insured by the Federal Deposit Insurance Corp., in the amount of \_\_\_\_\_ percent (XX%) of the contract purchase order price, made payable to the Department of General Services and shall be automatically renewable during the contract period and shall remain in effect until Contractor's satisfactory compliance with the terms of the contract has been completed.

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ATTACHMENT F – SAMPLE BOND LANGUAGE

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**Bonds and Other  
Security  
Documents  
(Continued)**

**6. Irrevocable Letter of Credit**

The Contractor shall furnish to the Deputy Director (indicate agency and division, at no cost to the State, an Irrevocable Letter of Credit in the amount of \_\_\_\_\_ percent (XX%) of the contract (purchase order) price. Such Letter of Credit must be issued by a bank doing business in this state and insured by the Federal Deposit Insurance Corporation. The Department of General Services, State of California, shall be identified as the beneficiary. The Letter of Credit shall further provide for honor of a draft or demand for payment presented with the state's written statement (signed by the Deputy Director or the Director (indicate agency and division)) certifying that there has been loss, damage or liability resulting from contractor's performance or nonperformance of duties and obligations under the contract, or from the negligence or act of omission by the Contractor or its agents, servants, and employees, and that the amount of the demand or draft is, therefore, now due and payable.

Because the security represented by the Letter of Credit must remain in effect until the Contractor's satisfactory completion of the contract requirements, the Contractor, by offering the Letter of Credit, agrees to amend, if necessary, the Letter of Credit for the purpose of extending the expiration date.

**NOTE:**

Within 21 days after notification of contract award (unless already submitted), the successful contractor(s) must submit an Irrevocable letter of Credit, a Performance Bond, or a Certificate of Deposit. Failure to submit the required document within 21 days will constitute a breach and/or default in accordance with the contract provision entitled, "Rights and Remedies of State for Default".

Because of the potential consequences which might result if the successful contractor is unable to furnish either of the three specified documents, the Contractors should take the necessary steps, prior to submittal of their offers, to ensure that if awarded the contract, they will be able to comply with this requirement.

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## CMAS AGENCY PACKET

### ATTACHMENT F – SAMPLE BOND LANGUAGE

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**Sample  
Performance  
Bond Letter**

September 20, 2001

Machines & Design  
680 Cook Drive  
Fresno, CA 90999

Attn: Florence Hendersen

SUBJECT: PERFORMANCE BOND SUBMITTAL FOR PURCHASE ORDER NO. 22

Dear Ms. Hendersen:

This Purchase Order requires your firm to submit a Faithful Performance Bond, in accordance with the Bond Requirements, which was included in the CMAS best value determination document.

The bond must be submitted, in the amount of \$723,822.00 (100% of the Purchase Order) and must be received within 21 calendar days and prior to commencement of your performance on the order.

Submit the bond to:

Agency/Division  
XXXX Grant Street  
Sacramento, CA 958XX  
ATTN: Marilyn Monroe

Please be advised that failure to submit the required bond in a timely manner as described above may result in your firm being declared in default on the order, and also may result in legal action against your firm.

Sincerely,

Marilyn Monroe, Buyer  
Agency/Division  
Grant Street  
Sacramento, CA 958XX  
Phone # (916) 222-2222  
Fax # (916) 444-4444

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ATTACHMENT G – INSTRUCTIONS FOR PREPARING A STATEMENT OF WORK (SOW)

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**What is a  
Statement of  
Work?**

A Statement of Work (SOW) is a definition of requirements.

Statement of Work

A written description of the work to be performed under a purchase order to satisfy particular needs. In simple transactions, it can consist of the line items on the face of the purchase order that define what is being purchased; each item of which may include specifications.

Specification

A generic term to refer to a written requirement of a purchase order that provides a concise and accurate description of the services to be provided.

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**Market Research**

The buyer conducts market research on a service or product to determine:

- Commercial availability
- Contractor community
- Service and warranty terms
- Standard terms and conditions for delivery
- Prices and discounts
- Product reliability
- Areas of risk

Knowledge gained from the research will:

- Enable the buyer to ask the right questions to prepare a complete and realistic Statement of Work that the Contractor can respond to effectively.
  - Give the government an understanding of what a likely solution to the problem will be and what it will cost.
  - Enable a more realistic and accurate evaluation of the offers.
  - Help ensure the Statement of Work and solicitation terms and conditions are appropriate to the product or service to be acquired.
- 

**Minimum  
Criteria**

The purchase order must include at a minimum the following information as applicable:

- Detailed statement of the purpose, objective or goals
  - Personnel job classification/skill level\*
  - Name/identification of assigned contractor personnel
  - Identification of all significant material to be developed/delivered
  - Completion/acceptance criteria
  - Delivery timeframe/liquidated damages
  - Estimated time schedule (start date, end date, milestones)
  - Estimated number of work hours
  - Bonds (as required by law)
-

## CMAS AGENCY PACKET

### ATTACHMENT G – INSTRUCTIONS FOR PREPARING A STATEMENT OF WORK (SOW)

#### Minimum Criteria (Continued)

- Fixed cost for each task (fixed price ceiling is the sum of all tasks)\*
- Everything pertinent to the successful completion of the purchase order (e.g., technical specifications, floor plans, etc.)

\*The purchase order must reflect the same position title, skill level, and fixed cost and/or hourly rate as specified in the contract.

Assume that the required deliverable will not be provided by the Contractor unless specifically spelled out in the purchase order. Do not rely on verbal agreements or assumptions.

#### Attachment I

See CMAS Agency Packet, Attachment I, for sample language to use for developing a Statement of Work and a list of questions to use as a checklist.

#### Contractor Signature on SOW

If an agency wants the Contractor to sign the Statement of Work, add a signature and date line to the last page of the Statement of Work and have them sign it.

#### Criteria to Consider

- |  |                                     |
|--|-------------------------------------|
| -Resumes/references  | -Insurance                          |
| -Installation (multiple sites)   | -Training (administrative/user)     |
| -Risk Factors  |                                     |
| -Interface concerns  | -FSR (get a copy)                   |
| -Maintenance (escalate/remediate/prevent)  | -Product needs                      |
| -Financing or payment arrangements   | -Liquidated damages (late delivery) |
| -Financial responsibility  | -Transition/implementation (phased) |
| -Federal funding (Debarment Certification)   | -Task Delineation                   |
| -Warranty  | -Data conversion                    |
| -Fiscal Year funding   | -Timeframe constraints or timelines |
| -Security  | -Project management                 |
| -Backup  | -Deliverables                       |
| -Analyze existing system for performance needs, features, attributes, reports  | -Selection criteria                 |
| -Reporting during development (status, problems change control, money, approval hierarchy, problem escalation or resolution, walkthroughs) |                                     |
| -Public works (not acceptable)   |                                     |
| -Testing (when, what type) (number of users, future modifications, ongoing support)  | -Licensed software vs. developed    |
| -S/DVBE participation goals  | -Unanticipated tasks                |
| -Cost/budget limits  | -Supplies                           |
| -Early payment discount  |                                     |

## CMAS AGENCY PACKET

### ATTACHMENT G – INSTRUCTIONS FOR PREPARING A STATEMENT OF WORK (SOW)

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#### **“To Do” List**

- DO solicit the input and advice of the program people who will receive and use the product and/or service.
  - DO prepare the SOW in terms of the results that are desired and the performance that is expected.
  - DO tell the Contractor how such results or performance will be measured and how acceptance of the product or service will be defined and accomplished.
  - DO structure the SOW so the Contractor can propose a complete solution to the stated problem rather than merely offering the individual items requested.
  - DO NOT tell the Contractor how to do the job; for example: "staff the project with this number of people with the following qualifications."
  - DO determine the full range of the problem to be solved. The SOW should be comprehensive.
  - DO decide what is really required to meet the government's needs.
  - DO determine the minimum required. How little can you do and still meet needs?
  - DO distinguish between the "must do" and the "nice to have."
  - DO determine how the "nice to have" will be evaluated if they are proposed.
  - DO determine the value to the government of the extras and try to quantify them.
  - DO write a new SOW for each procurement.
  - DO NOT just cobble together standard paragraphs from previous procurements. There are bound to be inconsistencies, gaps, and errors. Resolving these will delay the completion of the procurement.
  - DO review the SOW for each transaction, even if the product or service is one that has been purchased before. Perhaps the requirements have changed.
-



## CMAS AGENCY PACKET

### ATTACHMENT H – OUTSOURCING SERVICES

Careful analysis must be given to using contracted personnel rather than using civil service positions within state government.

The State Constitution generally requires contracting to be limited to those services that cannot be performed by civil service employees except as provided for in Government Code 19130. Considerations are as follows:

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<b>Cost Savings</b>	State Personnel Board (SPB) approval required. Any state agency proposing to execute a purchase order based on cost savings to the State as justification for not using civil service personnel must first notify the State Personnel Board of its intention.
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<b>When is Outsourcing Permissible?</b>	Issuing a CMAS purchase order for services is permissible when any of the conditions set forth in Government Code Section 19130(b) can be met:
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- Exempt under Constitution
- New state function and legislative authority
- Service not available; highly specialized or technical
- Incidental to the purchase or lease
- Conflict of interest; need unbiased findings
- Emergency appointment
- Private counsel, with Attorney General (AG) approval and Governor's Office, if applicable
- Contractor will provide things that are not feasible for the State to provide
- Training when civil service is not available
- Urgent, temporary, or occasional services when civil service delay would frustrate the purpose\*

When justified as outlined above, personal services must fall under one of the two following options:

Option 1 (Permissible Under Government Code 19130.b (3))

CMAS orders for personal services such as project management, independent verification and validation, systems analysis and design are not limited to the number of hours or months per year that a consultant can work if the services contracted for are not available within civil service, cannot be performed satisfactorily by civil service employees, or are of such a highly specialized or technical nature that the necessary expert knowledge, experience, and ability are not available through the civil service system. (Government Code Section 19130b (3)). Also, see the State Contracting Manual for additional information on Government Code, Section 19130, compliance.

Option 2 (Intermittent)\*

CMAS orders for services such as programmers, systems analysts, and technical specialists which are of an urgent, temporary, or occasional nature, such that hiring additional civil service positions is not feasible, are limited to nine months (1548 hours) per consultant within a twelve consecutive month period (Government Code Section 19130.b (10) and California State Constitution, Article VII, Section 5).

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## CMAS AGENCY PACKET

### ATTACHMENT H – OUTSOURCING SERVICES

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**When is  
Outsourcing  
Permissible?  
(Continued)**

This provision is per agency and is inclusive of orders issued on your behalf by another agency. Contractors must wait three (3) months from CMAS order termination/expiration before submitting the candidate's resume for work at the same agency/department.

For both options above, the Contractor may conduct Information Technology training courses for which appropriately qualified civil service instructors are not available, provided that permanent instructor positions in academies or similar settings shall be filled through civil service appointment (Government Code 19130.b (9)).

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**Contract  
Reviews**

Purchase orders for services awarded on the basis of Government Code 19130(b) are subject to review at the request of an employee organization representing state employees. The State Personnel Board further requires a written justification that includes specific and detailed factual information that demonstrates how the purchase order meets one or more of the conditions specified in Government Code 19130(b) (see [www.spb.ca.gov](http://www.spb.ca.gov)).

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**Required  
Justification**

For each purchase order, the agency must prepare and retain in file a written justification that includes specific and detailed factual information that demonstrates the purchase order meets one or more of the conditions set forth in Government Code 19130(b). The top portion of the STD. 15 can be used for this purpose (do not transmit).

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## CMAS AGENCY PACKET

### ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)

- A. This Agreement is for the replacement of the State's existing remittance processing system and provides internal enhanced product delivery. All products and services to be provided are defined herein.
- B. Period of Performance. This contract shall be effective from (date) to (date). If included on the purchase order, it doesn't need to be repeated.
- C. Delivery Requirements

If delivery or transportation requirements include anything beyond what is contained in the General Provisions, it is to be included here. Such items might include Free on Board (F.O.B) freight terms and routing instructions or paragraphs similar to the following:

- 1. Shipments to the installation site shall be the responsibility of the Contractor and shall be made by commercial carrier and by padded van or airfreight. Contractor may, at its option and expense, use a premium method of transportation (e.g., airfreight). Machines shall be preserved, packed, and marked in accordance with the Contractor's standard practice. The Contractor shall furnish copies of freight bills to substantiate transportation charges billed by the Contractor to the State.
- 2. Transportation charges for the Contractor shall pay for the shipment of empty packing cases except when equipment is moved from one state location to another.
- 3. The Contractor shall bear the cost of transportation, rigging, and/or drayage whenever equipment is shipped or moved for mechanical replacement purposes unless the replacement was due to the fault or negligence of the State.

#### D. Equipment Purchased

##### 1. Replacement Parts Availability

The Contractor shall indicate the number of years all replacement parts will be available beginning with the installation date. If replacement parts are not available after the expiration period, the Contractor, when requested by the State, will assist the State to arrange for its own support by providing the State with whatever documentation is available to the Contractor, subject to the conditions and charges, if any, associated with such documentation.

##### 2. Substitution of Equipment

Contractor may propose substitution of new equipment (defined as including hardware and software) of equal or greater functionality, capacity and performance for equipment listed herein at any time during the life of the contract. The proposed substitution equipment can not result in any additional purchase or maintenance costs to the State. All proposed equipment substitutions are subject to approval by the State, which will not be unreasonably withheld and must conform to the State Productive Use Requirements at the time of the substitution request submittal.

**ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)**

**E. Software Requirements**

1. If there are escrow requirements, they need to be included here.
2. If software is to be installed on multiple computers, identification of those computers/locations can be identified here.

**F. Tasks to be accomplished/functions to be performed**

1. Contractor shall make available to the State technically competent personnel for the purpose of providing the services required to accomplish the tasks prescribed in the manner described herein. Each such task will be considered complete when the completion criteria, as defined in the applicable Task Schedule, are met.
2. Each Task Schedule contains, as a minimum, a description of the task, a statement of the Contractor's responsibilities, completion criteria, a list of deliverable items (if any), the estimated starting date, the scheduled completion date, and a fixed cost for each task. The aggregate of the fixed costs for all Task Schedules constitutes the fixed price ceiling for all tasks described in the various Task Schedules.
3. The Contractor agrees that contractor will perform the services for which the Contractor is responsible, that the Contractor will accomplish this work in the manner and in the time stated in the Task Schedules, and that the Contractor will provide the deliverable items as required. This performance is predicated, however, on the State meeting its responsibilities in the time and manner described in the Task Schedules.
4. The Contractor shall provide a weekly written and oral status report, including a review of current and subsequent weeks' work plans and an analysis of any problems previously encountered and still unresolved or anticipated to be encountered. These reports will be made to the State representative named in the Statement of Work and to any personnel deemed appropriate.
5. The purpose of these Major Task descriptions is to provide adequate time to prepare and review major project deliverables. These Major Tasks are expected to be broken out into more detailed tasks in the Project Plan, as the project progresses. These task descriptions establish a minimum set of planning milestones and contract deliverables. Each deliverable is expected to be delivered in the manner described below:
  - (a) The Contractor shall deliver to the State, an Initial Project Plan and updates as necessary to allow the State to coordinate and make timely approvals of project deliverables. The Initial Project Plan will show (minimally) all Project Major Tasks at a high level, and show the initial task(s) in detail. This Initial Plan is due 5 days from contract award.
  - (b) Project Plan updates are due at least 30 days before the start of any Major Task detailing for that Major Task the schedule for delivery and review of its components.
  - (c) The Contractor and the State shall meet on a regular basis, as mutually agreed to by both parties, during project implementation. Contractor shall provide a weekly written and oral status report, including a review of current subsequent weeks' work plans and an analysis of any problems previously encountered and still unresolved or anticipated to be encountered. These reports will be made to the Project Manager and to any other personnel deemed appropriate.

## CMAS AGENCY PACKET

### ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)

#### 6. Additional Workloads

After Performance Testing, should the State desire to utilize the system or subsystem to process workloads outside Budget Workload Indicator (BWI) 560, the Contractor agrees to work with the State, at the State's request, in developing a Project Plan, including, but not limited to, equipment configuration, existing baseline/new baseline establishment, scheduled time frames, performance criteria, etc., for migration of the workload to the system/subsystem.

#### 7. Performance Incentives

- (a) The Contractor agrees to deliver and install at no additional charge to the State, a separate OPEX MPE 5.0 Mail Opener and a separate NDP500 Transport if the Realized Savings resulting from the Performance Test are sufficient to fully fund the entire contract value as shown on the front of the Contract Form STD. 213. For the purposes of earning this incentive, the State must realize a minimum of \$.0595 savings per transaction to qualify for the additional NDP500 and MPE 5.0. The installation of this hardware and software is subject to Acceptance Testing as defined herein.
- (b) In the event that the Realized Savings projected from the Performance Tests are more than sufficient to fund payments for the two (2) OPEX MPE 5.0 systems and the four (4) NDP500 systems, but less than sufficient to completely earn the above incentive systems, the State does not lose the benefit of the incentive entirely, and may apply some of these incentives as a credit towards the purchase of additional equipment or services. If the realized savings per transaction is less than \$.0595 but greater than \$.051, the State may earn a credit useable towards the purchase of additional NDP 500 or MPE 5.0 equipment listed on the Equipment List Table.

#### G. Systems Integration

Contractor is responsible for implementation of hardware, software, and firmware, to achieve a fully functioning system as described in this SOW.

#### H. Data Handling

The Contractor and state staff will jointly determine tape and file format specifications (unless identified by the State, in which case enter that information here). All tapes produced will be compatible with (identify hardware). Contractor will be required to convert all data from (enter information, i.e., collection documents, microcomputer programs, machine-readable media, etc.) and produce a separate (enter media, i.e., magnetic tape, CD ROM, etc.).

#### I. Outsourcing Computer Operations

Contractor will provide on-line computer output printing, delivery, and other related services for the State. Contractor must supply and bear all cost of the paper, supplies, equipment and services necessary to provide print processing, pickup, and delivery services to and from each location identified herein. Pick-up/delivery times are as follows: (insert appropriate times).

**ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)**

Prior to production cutover, there will be a 30-day acceptance testing period for printing. The cost of all equipment and supplies necessary to meet the acceptance-testing period shall be borne by the Contractor. For the test period, the Contractor must have (include identification of acceptance testing configuration). All jobs ready to be printed in the print queue xx hours prior to the next scheduled delivery must be printed, boxed and delivered, except the Scheduled Critical Print Jobs defined in Exhibit XX. All Scheduled Critical Print Jobs must be printed before all other jobs. Contractor must start these jobs within one half hour of submission to the print queue and print to completion without any interruption and be available for the next delivery. Contractor must separate all jobs by the job separator page, agency prefix, and box/containerize by agency and deliver according to the above-referenced delivery schedule. Contractor must meet all security guidelines as described herein.

**J. Transition of Operations to New Contractor**

The Contractor shall assume responsibility for all functions identified in the SOW within (insert number) days after contract start date. The Contractor shall ensure staff is available to observe, interface, and work with the incumbent work force, starting with the first day of the contract period.

The Contractor's Transition Plan, Attachment XX, describes how and when assumption of the responsibilities identified in the SOW will occur and includes a schedule of transition/incremental assumption data. The intent of this transition period is to efficiently and gradually transfer functional responsibility from the incumbent work force to the Contractor. The Contractor shall be able to accomplish all the responsibilities without the aid of the incumbent work force by the full assumption date.

During the (insert number) day transition period, the Contractor employees shall work with the incumbent work force until they are capable of assuming full responsibility, as described in the Transition Plan. It is the State's intention to withdraw the incumbent work force within (insert number) days after the contract start date. Upon state's withdrawal of the incumbent work force, the State will make its transition advisors available to the Contractor for up to (insert number) days from the contract start date. The transition advisors will work closely with the Contractor to provide explanation in any unique aspects relative to the functions to be performed. The State will withdraw the transition advisors, as the Contractor becomes fully functional.

**K. Training**

**1. General**

(a) Training must be provided to a variety of staffing levels, as minimally defined below:

- Operator training for state-identified employees;
- Supervisor training for 10 state identified employees;
- System Administrator training for 2 state-identified employees;
- System Support training for 4 state-identified employees;
- Management Overview training for 20 state-identified employees.

## CMAS AGENCY PACKET

### ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)

- (b) The training will be provided in multiple sessions utilizing a variety of training methodologies on the various components of the System. The State and contractor will mutually determine the appropriate combination of specific types and structure for the training and the actual number of employees who will receive each type of training.
- (c) Upon the effective date of the contract, the Contractor shall prepare a Training Plan describing the orientation and training to be provided. (Insert details from contractor's Proposal and other mutually agreed training requirements). Training modules will consist of a combination of appropriate classroom and/or hands-on training. The Training Plan and associated training modules are subject to state approval. The Contractor will begin providing training at the earliest practical date following approval of the Training Plan.
- (d) The Contractor will provide the Training Plan within 30 days after contract award. Thereafter, the Training Plan will be subject to mutual written modification by the State and contractor as the project progresses at no additional cost.
- (e) Each training module identified in the Training Plan(s) will include at least the following:
  - Description of the relationship of the training module to a given set of business functions and associated sub-system hardware and software;
  - The desired employee competency level to be achieved;
  - Skills descriptions for each participating level, (e.g. operator, supervisor, system, administrator, system support);
  - Module Curriculum, including but not limited to, module goals and objectives; the business process and or technology being targeted; pre-requisites; topics covered, instruction delivery methods, skills mastery assessments; structured opportunities and materials to support in-class and independent practice or skills refreshment; and appropriate student materials and guides;
  - Instruction guides, coordinated to the student materials, that include tips for facilitating instruction and directing skills acquisition, visual aids, sub-system and business process "quick references", alternative or supplemental student practice lessons, and cross-references to other training modules;
  - All training deliverables in hard copy and electronic forms;
  - Class schedules and number of participants;
  - Class Assessment Instructions and Tools (for Instructor use); and
- (f) The State's right to deliver, re-use, and customize contractor-provided training modules shall continue for as long as the State chooses to make use of any or all of the system(s) provided under this contract.

#### 2. Roles and Responsibilities

- (a) The Contractor will be responsible for:
  - Providing the training deliverables as outlined herein;

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### ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)

- Ensuring the linkage of training modules and activities with acceptance testing, and performance testing;
- Establishing an appropriate training environment, including training equipment and instruction support equipment;
- Conducting training;
- Conducting training assessments and reporting on the effectiveness of training activities.

(b) The State will be responsible for:

- Selecting training participants;
- Providing an appropriate facility to house the training environment;
- Assisting with the customization of training modules;
- Approving all training deliverables.

#### L. Installation Requirements

1. The Contractor shall install equipment and software listed herein ready for use on or before the Installation Dates specified herein.
2. The Contractor shall determine that the equipment and software is ready for system operational use, and shall certify in writing to the State that the equipment is installed and ready to be turned over to the operational control of the State. The Contractor shall also provide to the State appropriate documentation to support the above certification, at which time the State will accept control of the equipment for the purpose of conducting acceptance testing and establishing performance criteria as defined herein.
3. The installation date of the Software Products shall be established as follows:
  - (a) If the State elects itself to install the Software Products, the State will have thirty (30) days from the date of receipt of the Software Products to initially install and evaluate the same. The date of expiration of this period shall hereafter be known as the "Installation Date." Contractor shall be responsible for providing criteria and test data necessary to check out the Software Products.
  - (b) If installation by the Contractor is required by the State, the Contractor will have up to thirty (30) days from the effective date of this contract to provide initial installation and evaluation of the Software Products on the designated CPU. Contractor will issue written notice of the fact that the Software Product is in fact operational, and the date of said notice shall be known as the "Installation Date." It will be at the Contractor's discretion to determine the criteria and tests necessary to allow the Contractor to issue a notice to the effect that the system is operational.
4. The State agrees to provide such access to its computer system as may be required by the Contractor to properly install and test the Software Products. The State further agrees to provide at no cost to the Contractor, systems and production support as may be required by the Contractor during installation.



**ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)**

M. Test and Acceptance Procedures

1. General

This sets forth specific procedures and performance criteria to implement the testing required. Because of the on-line programmatic aspects of the equipment and software, system reliability is of paramount importance, both at the host computer site and at the various remote-operating locations.

2. Acceptance Testing of Host Computer System

- (a) Immediately upon certification by the Contractor that the host central processing units, together with all cable-connected peripheral equipment (including programmer work stations) and operating software scheduled for installation at the central site (herein collectively called the computer system), are installed, the State will confirm its installation by running Part A of the benchmark tests required as described in the benchmark manual. Upon confirmation by the State that the computer system is installed, the State shall put the computer system to full operational use for acceptance testing purposes.
- (b) The minimum acceptable computer system configuration, for the purposes of acceptance testing, is defined as one (1) central processing unit, one (1) operator's console, one (1) megabyte of main memory, four (4) direct access storage devices, three (3) magnetic type drives, one (1) line printer, one (1) local Programmer Work Station, and all of the channels, controllers, etc., necessary to operate these machines. If the computer system is operable, in at least the minimum acceptable computer system configuration, at an average level of availability of 95% or more during a thirty (30) day period, it shall be deemed to have met the State's standard for acceptance and shall be accepted by the State. In addition, each of the machines, which collectively constitute the computer system, must operate in at least the minimum compliance with the Contractor's published specifications and must attain an average level of availability of 90%.
- (c) The average level of availability is a percentage figure computed by dividing the total operational use time during the Period of Maintenance Coverage by the sum of that time and associated downtime during the Period of Maintenance Coverage. All preventative maintenance time shall be excluded from the performance period hours.
- (d) Machine downtime shall begin from the time the State makes a valid effort to contact the Contractor (or its answering service) to report an equipment failure and shall end when the Contractor has returned the machine to the State in operable condition. Computer system downtime shall begin from the time the State makes a valid effort to contact the Contractor to report that equipment failure has caused the computer system to be inoperable, or operable at less than the minimum acceptable configuration, and shall end when the minimum acceptable computer system configuration has been returned to the State in operable condition. If the State is unable to contact the Contractor or its answering service, the State shall continued to make frequent attempts to notify the

**ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)**

Contractor until such contact is made. If the State fails to make available to the Contractor the machines necessary to test and repair the failed equipment, downtime shall not accrue during the period the State fails to make such machines available to the Contractor.

- (e) During the successful performance period, a minimum of 100 hours of operations use time shall be required as a basis for computation of the average availability level. However, in computing the availability level, the actual number of operational use hours shall be used when in excess of the minimum stated above. When it is obvious that the actual operational hours that will be accumulated during the performance period will be less than 100 hours, the operational hours shall be supplemented using the Contractor's diagnostic routines of simulated production operations, so as to provide a total of 100 hours. In addition, the State shall, during the acceptance period, use its best efforts to distribute workloads between and among various machines so that each of them is appropriately exercised. For example, the function being performed by each computer shall be transposed daily between them, so that each computer will perform the on-line inquiry functions every other day.

**3. Acceptance Testing of Remote Equipment**

- (a) Immediately upon certification by the Contractor that all equipment and operating software schedule for the first installation at a remote site (herein collectively called remote subsystem) is installed, the State will confirm its installation by running Part B of the benchmark tests as prescribed in the benchmark manual. Upon the State's confirmation that the remote subsystem is installed, the State shall put it to full operational use for acceptance testing purposes. When remote subsystems are subsequently installed at the remaining remote locations, such benchmark testing shall be waived, and acceptance testing shall begin immediately.
- (b) The minimum acceptable remote subsystem configuration, for acceptance testing purposes, is defined as one (1) to four (4) CRT terminals (one terminal may be down), either the character printer or one tape drive (temporarily spooling data for the printer), and all contractor-supplied communications facilities. If the remote subsystem is operable, in a least the minimum acceptable remote subsystem configuration, at an average level of availability of 95% or more during a thirty (30) day period, it shall be deemed to have met the State's standard of acceptance and shall be accepted by the State. In addition, each of the machines, which collectively constitute the remote subsystem, must operate in at least minimum compliance with the Contractor's published specifications and must obtain an average level of availability of 90%.
- (c) The average level of availability for the subsystem and for the machines shall be computed substantially in accordance with the procedures outlines in Paragraph 2c above.
- (d) Machine and remote subsystem downtime shall be computed substantially in accordance with the procedures outlined in Paragraph 2(d) above.
- (e) During the successful period, a minimum of fifty (50) hours of operational use time for each remote subsystem, including at least twenty-five (25) hours of operational use time for each CRT terminal, shall be required as a basis for computation of the average availability level. If necessary, the operational hours shall be supplemented using simulated productive work.

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**4. Acceptance Testing of Additional Items of Equipment**

Individual machines subsequently added to the contract, or machines substituted or field modified by the Contractor, shall undergo acceptance testing substantially in accordance with the procedures set for above as they relate to the testing of individual machines. A minimum of twenty-five (25) hours of operational use time shall be required as a basis for computation of the average availability level. If necessary, the operational hours shall be supplemented using simulated productive work.

**5. Acceptance Testing of Software (other than Operating Software)**

- (a) Immediately upon certification by the Contractor that a programming aid or program product has been delivered ready for use, the State shall test such programming aid or program product, in accordance with the procedures outlined below.
- (b) For software, which is provided at no charge, no performance tests are required. The State shall ensure, however, that such software has actually been delivered, corresponds to the listing herein, is complete, and can be read into the equipment for use.
- (c) For software, which is provided at a charge, the State shall thoroughly test such software to be assured that the software performs in accordance with the Contractor's published specifications. Said acceptance tests shall be mutually agreed to by both parties and shall be substantially in accordance with the established test plan.
- (d) For the custom program, JCLTEST, written especially for this procurement by the Contractor, and further described herein, the acceptance test shall be substantially as set forth below:
  - The Contractor shall prepare a variety of run streams to be analyzed by JCLTEST, with varied job control language with known errors, as well as "clean" run streams with no errors. The State may also, if it desires, add additional input.
  - JCLTEST shall be executed, using the above input.
  - Error reports produced by JCLTEST shall be compared to ensure the error listings are in consonance with the known errors in the input and to ensure that "clean" runs are passed without error. All erroneous control cards must be identified and run streams with no errors must be allowed to execute.

**N. Maintenance Requirements**

- 1. Principal Period of Maintenance is:
- 2. Period of Maintenance Coverage is:
- 3. Remedial maintenance response times. (as stated below)
- 4. Responsibilities of the Contractor
- 5. Minimum maintenance requirements include the following:
  - (a) The Contractor will be required to affix a label or decal to the equipment at the time of installation, showing warranty period by dates, and the name, address, and telephone number of the bidder responsible for service of the equipment.

**ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)**

- (b) Remedial maintenance shall be commenced promptly after notification that equipment is inoperative and the Contractor shall always be responsive to the maintenance requirements of the State. The Contractor's maintenance personnel will arrive at the State's installation site within four (4) hours after notification by the State that remedial maintenance is required. For this purpose, the Contractor shall have full and free access to the machines.
- (c) The maintenance request must be resolved within four (4) hours of arriving on-site.
- (d) When a Client Service Engineer responds to a remedial maintenance call and the machine malfunction has not been diagnosed and repair begun within four (4) hours from the time of arrival of the Client Service Engineer, the Contractor will escalate to 2<sup>nd</sup> Level Technical Support. In the event that two (2) additional hours elapse from the time of response by the 2<sup>nd</sup> Level Technical Support and the machine malfunction has not been diagnosed and repair begun, the Contractor will escalate to 3<sup>rd</sup> Level Technical Support. In any event, the Contractor will assign one or more levels of support diagnosis and repair of the malfunction until the machine has been returned to good operating condition.
- (e) 2<sup>nd</sup> Level Technical Support – A machine(s) specialist with unique training and/or experience who specializes in providing diagnostic assistance and/or repair expertise when a service call is particularly difficult.
- (f) 3<sup>rd</sup> Level Technical Support – A machine(s) specialist whose geographic responsibilities normally include multiple Client Service Engineering Branch Offices and who has received in-depth specialized training and experience and possesses extensive diagnostic ability specifically designed to assist on unusually complex problems.
- (g) The Contractor will be responsible for providing maintenance services during the State's hours of operational use, up to seven (7) days per week, twenty-four (24) hours per day.
- (h) Maintenance is to include replacement parts and labor.
- (i) Any preventative maintenance must be done on Tuesdays between 10 AM and 5 PM, PST, or as otherwise mutually agreed to should the State's needs change, will be consistent with the State's operating requirements, and will be based upon the specific needs of the equipment as determined by the Contractor.

**O. Software Maintenance**

**1. Types of Service**

- (a) Category I Service – When Category I Service is specified, the Contractor will provide a central service location, which will accept documentation, in a format, prescribed by contractor, indicating that a problem is caused by a defect in the program. Contractor will respond to a defect in the current unaltered release of the program by issuing: defect correction information such as correction documentation, corrected code, or notice of availability of corrected code, or a restriction or a bypass. Unless Category II service is also specified for the program, the State shall be responsible for the preparation and submission of documentation to the central service.
- (b) Category II Service – When Category II Service is specified and a problem occurs which the State determines is caused by the use of a program and the diagnosis of the designated contractor representative indicates the problem is caused by a defect in the

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### ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)

unaltered portion of a current release of the program, the Contractor representative will perform the following problem resolution activities:

- attempting to correct or bypass the defect by providing the State with correction information issued by the central service, if available ; or
- assisting the State with preparing documentation for submission to the central service, if specified as available; and, in any event
- if the program is inoperable, making a reasonable attempt to resolve the problem by assisting the State in applying a local fix or providing a bypass.

(c) Category III Service – When Category III Service is specified and the State encounters a problem, which the State diagnosis indicates is caused by a defect in the unaltered portion of a current release of the program, the State may request contractor assistance in resolving the problem. Such assistance, if requested, will be provided by a designated contractor representative and may be subject to the availability of personnel. This assistance may include, but not extend beyond, the following problem resolution activities:

- attempting to correct or bypass the defect by providing the State with correction information issued by the central service, if available; or
- assisting the State with preparing documentation for submission to the central service, is specified as available; and, in any event
- if the program is inoperable, making a reasonable attempt to resolve the problem by assisting the State in applying a local fix or providing a bypass.

(d) Other types of program services may be specified by the Contractor and designated herein.

(e) Although the Contractor shall make every reasonable effort to correct errors, the Contractor does not guarantee service results or represent or warrant that all errors or program defects will be corrected.

#### 2. Charges

Contractor shall also have the right to charge for any additional effort that results from providing program services for an altered program or a release that is not current. Such charge(s) will be at the Contractor's then current rates (as provided for under the CMAS NSP provision via amendment to the purchase order, or alternatively, outside of CMAS).

If depot maintenance is to be provided for any goods being acquired, the method to ship the product(s) to the Contractor and return of the fixed products to the State, and payment for shipping (contractor or state to pay, or one to pay each way) must be addressed here.

#### P. Preventive Maintenance

Preventive maintenance must be performed during the Period of Maintenance Coverage. An additional charge may be made for preventive maintenance to be performed outside of the

## CMAS AGENCY PACKET

### ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR INFORMATION TECHNOLOGY (IT)

Period of Maintenance Coverage, as set forth herein (as provided for under the CMAS NSP provision via amendment to the purchase order, or alternatively, outside of CMAS). No additional charge shall be made for preventive maintenance, which is to be performed within the Period of Maintenance Coverage.

#### Q. Warranty

If new products sit unused in inventory awaiting distribution for extended periods of time, it may be appropriate to include language to provide that the Contractor accept assignment records prepared and maintained by the State for determining the start date of individual warranty periods. Language would also require that the Contractor supply postage prepaid, installation warranty identification cards, to be completed by the State and forwarded to the Contractor upon installation of the product.

#### R. Technology Refreshment

Generally, technology refresh is available only through a financed agreement, in which case the following language may be included: Upon 90 days' notice, and after having made xx payments on a timely basis, the State may, under the following conditions, replace the equipment under this Agreement with new equipment. The original equipment shall be returned to the Contractor at a U.S. location to be specified at that time with freight to such destination to be paid by the State. Title to the old equipment shall be conveyed to the Contractor, if title was transferred to the State during this Agreement. Subject to the above conditions being met, the Contractor will relieve the State from the obligation of making the final xx payments.

#### S. Security Requirements

If the Contractor's employees must meet security requirements, i.e., can not be dressed in certain attire when delivering, can not have outstanding warrants, etc., these requirements should be addressed here.

#### T. Compatibility and Interface Requirements

Identify current hardware/software configuration to which new/proposed system must interface and/or be compatible.

#### U. Payment Methodology

Total payments will be derived from savings realized as a result of System implementation, and will be calculated as detailed below. (Agency must develop payment methodology)

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## ATTACHMENT I - EQUIPMENT LIST AND ALLIED INFORMATION

TABLE 1 OF 3

Line No.	Qty	Description Type/Features	Model No.	Facility Ready Date	Install Date	Unit Dest. In Charge	Total Dest. In Charge	Unit Install Cost	Total Install Cost
1	4	NDP500 Image Transports with 24 pockets, dual OCR/MICR Readers, HSEM, Front & Rear Cameras, MJE & Stamp Endorser	DP575 -RNT	11/01/99	11/15/99 - 12/31/99	\$3,751	\$15,004	\$420	\$1,680
2	13	Image Workstations with P133mhz, 32MB Memory, 1GB HD, 17" Color Monitor	CWP5 13333 -10A	11/01/99	11/15/99 - 12/31/99	\$23	\$299	\$0	\$0.
							\$1,695	\$129	\$2,185
							\$0	\$0	\$0

## EQUIPMENT LIST AND ALLIED INFORMATION

TABLE 2 OF 3

Line No.	Qty	Description, Type and/or Features	Model No.	Unit Purchase Price	Total Purchase Price	Warranty Period	Unit Basic Monthly Maint.	Total Basic Monthly Maint.
1	4	NDP500 Image Transports with 24 pockets, dual OCR/MICR Readers, HSEM, Front & Rear Cameras, MJE & Stamp Endorser	DP575 -RNT	11/01/99	11/15/99-12/31/99	One Year	\$2,896	\$11,582
2	13	Image Workstations with P133mhz, 32MB Memory, 1GB HD, 17" Color Monitor	CWP 5133 33-10A	11/01/99	11/15/99-12/31/99	One Year	\$25	\$320

# CMAS AGENCY PACKET

## ATTACHMENT I - EQUIPMENT LIST AND ALLIED INFORMATION

TABLE 3 OF 3

Line No.	Qty	Description, Type and/or Features	System Purchase Price	Warranty Period	System Total Delivery Costs	System Total Install Costs	Total Basic Annual Maintenance
1	1	5 <sup>th</sup> DP500 System including software	\$238,196	One Year	\$3,751	\$420	\$29,144
2	1	3 <sup>rd</sup> MPE 5.0 including software	\$111,375	One Year	\$2,750	\$0	\$9,570

## OPERATING SOFTWARE LIST AND ALLIED INFORMATION

TABLE 1 OF 2

Line No.	Qty	Operating Software Identification	Machine Cross Reference.	Technical Specifications Reference and Date	Support Category	Per Copy Initial Charge	Total Initial Charge	Warranty Period
1	4	O/S:SYSTEM S/W FACILITY	DP575-RNT	Infomage NPPS and DP500 Transport Capabilities Overview	1	\$6,500	\$2,600	One Year
2	13	O/S:NT 4.0 WORKSTATION	CWP51333 3-10A	Supplied with S/W	1	\$199	\$2,587	One Year

## OPERATING SOFTWARE LIST AND ALLIED INFORMATION

TABLE 2 OF 2

Line No.	Qty	Operating Software Identification	Machine Cross Reference.	Support Category	Per Copy Basic Monthly ( ) Yearly ( ) Charge	Total Basic Monthly ( ) Yearly ( ) Charge
1	4	O/S:SYSTEM S/W FACILITY	DP575-RNT	1	\$0	\$0
2	13	O/S:NT 4.0 WORKSTATION	CWP513333-10A	1	\$4	\$52



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## ATTACHMENT I - SAMPLE SOFTWARE LIST AND ALLIED INFORMATION

TABLE 1 OF 2

Line No.	Qty	Software Identification	Delivery Date	Document Containing Technical Specifications Reference & Date	Support Category	Per Copy Initial Charge	Total Initial Charge	Warranty Period
1	4	NDP500 Image Read/Encode	11/15/99	TMS IMAGE Capabilities 2.0 – 7/96	1	\$27,000	\$108,000	One Year
2	1	TMS Image Database System	11/15/99	TMS IMAGE Data Entry User's Manual 2.0 – 7/96	1	\$22,500	\$22,500	One Year

## SOFTWARE LIST AND ALLIED INFORMATION

TABLE 2 OF 2

Line No.	Qty	Software Identification	Delivery Date	Document Containing Technical Specifications Reference & Date	Support Category	Per Copy Basic Monthly ( ) Yearly ( ) Charge	Total Basic Monthly ( ) Yearly ( ) Charge
1	4	NDP500 Image Read/Encode	11/15/99	TMS IMAGE Capabilities 2.0 – 7/96	1	\$458	\$1,832
2	1	TMS Image Database System	11/15/99	TMS IMAGE Data Entry User's Manual 2.0 – 7/96	1	\$382	\$382

## CMAS AGENCY PACKET

### ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR GOODS

- A. DESCRIPTION OF SERVICES. The Contractor shall provide all personnel, equipment, tools, supervision, and other items and services necessary to ensure that...(identify work to be performed) at...(identify location) in a manner that will maintain ...(identify objective). You can use an equipment list/spreadsheet – refer to it as an attachment to the SOW.
- B. PERIOD OF PERFORMANCE. The contract shall be effective from \_\_\_\_\_ to \_\_\_\_\_.
- C. DELIVERY REQUIREMENTS. Delivery is in accordance with the schedule shown in appendix \_\_\_\_\_.
- D. EQUIPMENT PURCHASED. See Purchase Order for contract line items.
- E. SOFTWARE PURCHASED. See Purchase Order for contract line items.
- F. HOURS OF OPERATIONS. (Insert appropriate hours)
- G. SYSTEM INTEGRATION. Not applicable.
- H. DATA HANDLING. Contractor shall furnish 3 sets of all operating manuals. Contractor shall furnish the installation schedule required by the statement of work (page \_\_, paragraph \_\_). Contractor shall furnish the preventive maintenance plan required by paragraph S.
- I. OUTSOURCING COMPUTER OPERATIONS. Not applicable.
- J. TRANSITION OF OPERATIONS TO NEW CONTRACTOR. Not applicable.
- K. TRAINING. Contractor shall provide on-site training in equipment operation for \_\_\_\_ employees. Training to be conducted at (insert location). Training shall consist of (insert time duration) and shall cover (insert details). The schedule for training shall be provided by the Contractor to buyer within 10 working days from contract award. State shall provide the training facilities. Contractor shall provide the instructors and all class material, handouts, and furnish demonstration equipment.
- L. INSTALLATION REQUIREMENTS. Contractor shall install the equipment in accordance with the Site Plan (Ref. Appendix \_\_\_\_). Installation shall include affixing the equipment to the site and connecting all electrical and plumbing connectors to make equipment operational, including any necessary adjustments. At the conclusion of installation, the Contractor shall notify the Project Manager and establish a time for demonstration of successful installation.
- M. TEST AND ACCEPTANCE. Contractor shall successfully demonstrate the following features of the equipment: (list). The demonstration shall successfully operate the equipment through three full cycles showing the features listed above. The demonstration must be completed within three consecutive hours. The State shall notify the Contractor in writing of the outcome within 5 working days.

## **CMAS AGENCY PACKET**

### **ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR GOODS**

- N. MAINTENANCE REQUIREMENTS. (Identify and insert what is to be maintained). Use a spreadsheet if appropriate or incorporate maintenance prices into equipment spreadsheet/price list discussed in paragraph A.
- O. (Insert item one and specify details)
- P. (Insert items two and specify details of work)
- Q. (Similarly insert more items)
- R. Maintenance shall be performed during the hours of 8-5; Monday through Friday, excluding state holidays. Service calls placed before noon will be responded to in the same day. Service calls placed after noon will be responded to in the next working day. If service can not be completed within 24 hours, the Contractor shall furnish a replacement until service can be completed.
- S. PREVENTIVE MAINTENANCE. Contractor shall perform preventive maintenance on the equipment in accordance with manufacturer's recommendations. Contractor shall furnish a plan showing the regularly scheduled preventive maintenance for all equipment. Preventive maintenance shall not interfere with the normal business operations of the State and generally must be performed after 5:00 p.m. or per negotiated terms with the State.
- T. WARRANTY. The warranty period for the equipment shall be one year from the date the State notifies the Contractor of the successful acceptance of the equipment. The warranty period for software shall be six months from the date the State notifies the Contractor of the successful acceptance. Response time on repairs under this warranty provision shall be the same as for preventive maintenance set forth at paragraph S, above.
- U. TECHNOLOGY REFRESHMENT. Not applicable.
- V. SECURITY REQUIREMENTS. All contractor employees shall check in at the lobby and sign a guest log upon entry and exit.
- W. SPECIAL QUALIFICATIONS. (Insert qualifications of contract employees)
- X. COMPATIBILITY AND INTERFACE REQUIREMENTS. The Contractor shall furnish all connectors (electrical and plumbing) necessary to assure successful installation and operation of the equipment. For future upgrades, the system shall be compatible with on-line electronic transactions for ATM/credit card usage.
- Y. PERFORMANCE MEASUREMENT. During the period of performance the State shall prepare monthly performance reviews of the following performance characteristics (list-e.g. maximum number of equipment failure, mean time between failures, etc.). The State shall furnish these reports to the Contractor. Adverse performance data may be grounds for the State to require the Contractor to provide corrective action.

## **CMAS AGENCY PACKET**

### **ATTACHMENT I - SAMPLE STATEMENT OF WORK FOR GOODS**

- Z. **QUALITY CONTROL.** The Contractor shall develop, submit for buyer approval, and maintain a quality program to ensure maintenance services are performed in accordance with established standards of...(list standards/professional organizations). The Contractor shall develop and implement procedures to identify, prevent, and ensure non-recurrence of defective services. As a minimum the Contractor shall develop quality control procedures addressing the areas identified in paragraph A, above.

#### **APPENDICES**

- A. Data/User Manuals
- B. Maps and/or Site Plans
- C. State Furnished Property/Services/Equipment

Note: (Add any other appendices as needed)

## **CMAS AGENCY PACKET**

### **ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK**

This appendix provides important aspects to be considered before establishing any type of Statement of Work (SOW).

#### **A. Description of Goods/Services to be Provided (overview)**

- What product or service is to be provided?
- Purchase of commercially available hardware?
- Purchase of commercial off-the-shelf (COTS) software?
- Outsourcing (or privatizing) a function or service?
- Custom software development?
- Design, development, and integration of a new system or system upgrade?
- What quantity do you expect to purchase? Maximum? Minimum? for hardware, software, or services. (If this is omitted, the Contractor cannot determine how to allocate/amortize up-front costs or whether the inherent risks are worth taking over the long term). Is there any guaranteed minimum quantity? What happens if it is not met? Is there a maximum quantity to be ordered? What if the maximum is exceeded?

#### **B. Period of Performance**

What is the period of performance?

#### **C. Delivery Requirements**

- What are the delivery requirements for equipment, software, or other products?
- How soon do you need it?
- What is the F.O.B. point?
- Who is responsible for shipping?
- How must equipment be packaged?
- Who is responsible for unpacking?
- How will partial shipments and back orders be handled?
- What are the acceptance procedures for each delivery?
- How will problems or deficiencies in delivery be handled?

#### **D. Equipment Purchased**

- What hardware will be purchased?
- What are the physical requirements for the hardware?
- Size? Operating conditions?
- What are the functional specifications? What is the hardware expected to do?
- What features are desired?
- Cabling? Wiring?
- Communication costs?
- Documentation requirements? Diagrams?
- What existing hardware will be interfacing with the new equipment?

## CMAS AGENCY PACKET

### ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK

- What are the requirements for accessibility and use by the handicapped?
- Is there a need for a given brand name or will a "brand name or equal" specification meet the requirement?
- What is the requirement for availability of replacement parts?
- What happens if equipment purchased is no longer maintainable?

#### E. Software Purchased

- What software will be included in the procurement?
- Will software be custom developed or commercial off-the-shelf (COTS)?
- What is the requirement for including software upgrades?
- Do you require the software to be Year 2000 compliant?
- What are the licensing requirements?
- Is the license for a machine, a site, or an agency?
- Is the license perpetual, annual, monthly, or extended use?
- What are the rights of licensor and licensee to use, disclose, sell, or reproduce the software?
- Are manuals on using the software included in the purchase?
- Are they standard or custom?
- Are there minimum requirements for content or format?
- How many will be provided? One for each software copy? One for each machine or user?
- What about other documentation?
- What is your requirement for availability of source code?
- For custom software? For commercial software?
- Do you really need it? (For example, you might need it if the government wants to be able to fix any bugs or do its own upgrades in the future. Having the source code provides some protection if the Contractor goes out of business or is overcharging for maintenance services.)
- Who owns the source code? Does contractor have the right to sell it to you? Do you want a copy of all the source codes, or will it be sufficient to put it in escrow? Do you want source code put in escrow for future use? How is source code maintained as software is upgraded by contractor? Is escrow software maintained also?
- Do you want copies of the programming tools used?

#### F. Tasks to be accomplished/functions to be performed

- What are the specific tasks to be accomplished? What function or service is to be performed?
- What results are desired? Be as specific as possible.
- What is the workload, maximum and minimum, both historical and projected?

#### G. Systems Integration

- Are there systems integration functions included in the procurement?
- What systems will be integrated? Hardware, software, communications?

## CMAS AGENCY PACKET

### ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK

- Do you want the integrator to analyze functional requirements and needs?
- Do you want the functions reengineered for increased efficiency? Or do you just want to computerize existing systems?
- Do you want an assessment of currently available technology and designs?
- Do you want the Contractor to design the system?
- Do you want the Contractor to select the hardware, software, and communications technology?
- Do you want the Contractor to purchase the system components?
- Do you want the Contractor to customize the system if necessary to meet the government's unique requirements?
- Do you want the Contractor to assemble, install, test, implement, and make the system operational?

#### H. Data Handling

- Are there data handling functions included in the procurement?
- What is the workload (current/projected) with respect to the data and its users?
- What is the volume of data?
- Is there a requirement for data entry?
- How often is data changed or updated?
- Is real-time access to the data needed?
- What capacity is required (current/projected) to store the data?
- What response time is needed when accessing, entering, or maintaining the data?
- Will there be common access to given database from multiple users?
- Will there be access from multiple locations?
- Will there be access needed by multiple agencies?
- What are the security requirements for the data? How will it be protected?
- What reports and data are to be provided?
- What data is needed? Is there a standard form? Who needs it? When are the reports due?

#### I. Outsourcing Computer Operations

- Are you outsourcing computer operations?
- What equipment will be operated? Make and model? How many?
- Do you want a help desk or hot line for questions and problems?
- What functions will the Contractor perform?
- What are the outputs?
- How often is each required output produced?
- To whom is each output distributed?
- What is the operations schedule? Around the clock? Business hours only? Other?

## **CMAS AGENCY PACKET**

### **ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK**

#### **J. Transition of Operations to New Contractor**

- How will you handle the transition of computer operations from government or previous contract to new Contractor?
- What is the time frame for the transition?
- What are the governments or previous contractor's responsibilities and tasks?
- What are the new contractor's responsibilities and tasks?
- Are you providing a transition plan and schedule, or do you want the Contractor to provide them?

#### **K. Training**

- Is there a requirement for training of government or contractor staff?
- Who will be trained?
- When will training occur?
- What methodology will be used? Classroom? Videotape? Computer based?
- Where will training be conducted? Locally? At a distant location? On-site in government space? At contractor site? At some central location?
- Who is responsible for providing training?
- What equipment will be needed to provide training?
- Who is responsible for providing equipment?

#### **L. Installation Requirements**

- What are the installation requirements for equipment or software?
- When can the Contractor inspect the installation location?
- Who develops the specifications for the installation location?
- What are the existing physical conditions at the installation location?
- Do these conditions meet the requirements for successful installation of equipment?
- If not, who is responsible for modifications to the installation location to prepare the site to receive the equipment?
- Who is responsible for architecture and engineering associated with required modifications?
- Who is responsible for construction?
- Who is responsible for specifying cabling and wiring requirements?
- For installing cabling and wiring?
- Who is responsible for communications costs?
- Telephone and data lines?
- Who is responsible for installation of new equipment?
- For software, who is responsible for preparing the existing hardware to receive new software?
- Who is responsible for installing new software?
- What is the required time frame for delivery, installation, inspection and test, training and operations?



## **CMAS AGENCY PACKET**

### **ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK**

#### **M. Test and Acceptance Procedures**

- What are the test and acceptance procedures?
- What are the criteria for acceptance?
- Will the government or the Contractor develop the test procedures and test plan?
- What are the minimum requirements for the test procedures, test plan, and test reports?

#### **N. Maintenance Requirements**

- What are the maintenance requirements for equipment and/or software?
- What are the requirements for mean time between failures (MTBF)?
- What are the requirements for mean time to repair (MTTR)?
- What is the required response time from initial call for repairs?
- Does response time differ for prime maintenance periods versus standby or on-call maintenance periods?
- Does it vary by time of day or day of week?
- What is the Contractor expected to do within the given response time? Just show up? Fix the problem? Other?
- Are there different maintenance periods (principal periods of maintenance versus secondary) with different levels of required support?
- What type of support is required? On-site? Use of remote diagnostics? Hot line support? Mail back?
- What is the requirement for availability of parts over the system life?

#### **O. Preventive Maintenance**

- What preventive maintenance is expected from the Contractor?
- What is included?
- When will it be performed? Business hours or after?
- How long does it take?
- What is the system downtime during preventive maintenance?

#### **P. Warranty**

- What warranty provisions will be acceptable from the Contractor?
- What is the time period for the warranty?
- Do you want the warranty to include consequential damages?
- Do you require the Contractor to warrant the equipment or software as fit for a given use?
- Do you require the Contractor to warrant software as bug free? Virus free? Free of "harmful code"?
- Do you require the Contractor to provide software that is Year 2000 compatible?
- Do you require the Contractor to warrant that the seller has right to sell the software?
- Do you require a warranty for free repair for defects appearing within a given time? Or for repair of defective parts?

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### ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK

- What about post warranty maintenance?

#### Q. Technology Refreshment

- Will the contract require or allow for technology refreshment?
- Before or after initial delivery?
- At same or lower cost only?
- Will cost increases be allowed if improved functionality is provided?

#### R. Security Requirements

- What are the security issues? (Security issues range from simple preventive measures to prevent laptops from "walking off," to protection of sensitive data about the public, as in a drivers' license database, to protection of politically sensitive information.)
- What are the threats?
- How much security is desired?
- How much security can be afforded?
- What is the tradeoff between risks and costs?

#### S. Compatibility and Interface Requirements

- What are the compatibility and interface issues?
- What IT or software is already in use with which the new equipment or software must interface?
- Are existing files in hard copy or electronic?
- Will existing files work with new hardware/software?
- If not, who will do the data conversion?

#### T. Performance Measurement

Once the government has specified the product or service to be acquired, you need to decide how results will be measured and how performance will be judged. Is timeliness an issue? What about the quality of the product or service? Products, such as hardware and software, and services are discussed individually in the following section. Procedures for measuring the quality of hardware and software include the following:

- Having a live test demo. This can be held before or after selection of contractor.
- Having a benchmark test to see if the system does what you need it to do in your environment.
- Requesting an acceptance test? You will need to decide the criteria for passing it.
- Having an acceptance test period with given requirements for performance during that period.
- Specifying the system availability requirements for system acceptance.
- Specifying the requirements for system availability during system operation after system acceptance.

## CMAS AGENCY PACKET

### ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK

- Deciding how to define system availability; for example: "total time available less downtime divided by total time available."
- Defining-system downtime, for example, when starts, and how to decide if the given item is the direct/only cause of the downtime.
- Deciding when and how government will be compensated for downtime.

#### Performance Measurement for Services

Services can be harder to measure than computer system performance. For example, the government needs to decide how to measure the Contractor's performance in comparison with the agency or government past performance of the given function. Performance requirements should be realistic and the measurement system needs to be fair to avoid holding the Contractor to a standard that is too high or too low.

If the government is contracting out an entire function rather than just meeting a temporary need or supplying software development or a product, here are some questions to be answered:

- What was agency past performance?
- How was it measured?
- Was past performance formally measured? Or was it simply a question of public perception?
- Are standards of performance the same for the Contractor as they were for the agency?
- In performing the service evaluation, could there be an attempt on the part of agency personnel to make the Contractor "look bad" or fail?
- Is the Contractor expected to work at the peak level of performance immediately, or is there a transition period with an anticipated improvement over time?
- What incentive for the Contractor to continue a high level of performance or to improve the performance level?

#### U. Quality Control/Quality Assurance

Existing laws of the government may mandate specific quality control or quality assurance oversight. For example, the government may require in-plant inspections during manufacture or may require the use of test labs or other facilities to identify nonconforming deliveries. These requirements may be beyond what the seller normally would allow.

#### OTHER AREAS TO CONSIDER

In addition to the areas specific to IT mentioned above, there are other issues that should be addressed in developing the SOW, including some personnel and contract administration issues, such as:

- Personnel: What personnel have been available to perform the function in the past? Number? Skill levels?
- What is anticipated for the future?

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### **ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK**

- What life cycle costs (purchase, operations, upgrades and maintenance, disposition) will be included in the evaluation?
- Have the benefits of leasing equipment compared to buying it been determined, or do you want the Contractor to do the evaluation?
- What costs should be included?
- Will contract be fixed price or cost reimbursable?
- Will there be financial incentives (or penalties) for good (or bad) performance?
- What are the line items to which given costs and payments will be attached?
- How will travel and other expenses be reimbursed?
- Who will finance the project? The Contractor or the government in the form of progress payments?
- When is payment made? At completion? When milestone is reached? As each delivery is made? At acceptance?

#### **MARKET RESEARCH**

Although market research itself is not part of the solicitation, the knowledge it provides the buyer will put the government on an equal footing with the Contractor. The buyer conducts market research on a service or product to determine its commercial availability, the Contractor community, the usual service and warranty terms, the standard terms and conditions for delivery of this service or product, typical current market prices and discount schedules, product reliability, and areas of risk in acquiring the service or product. Knowledge gained from the research will enable the buyer to ask the right questions to prepare a complete and realistic statement of the work required in terms to which the Contractor can respond effectively and also will ensure the solicitation includes appropriate contract provisions. The research will give the government an understanding of what a likely solution to the problem will be and what it will cost. This will lead to a more realistic and accurate evaluation of the offers. This knowledge will enable the buyer to ensure the SOW and solicitation terms and conditions are appropriate to the product or service to be acquired.

#### **WHAT TO DO WHEN PREPARING THE SOW**

The goal of the solicitation for IT should be to achieve certain results (whether to develop software to perform a given process, provide products that will fill a given need, or provide staff to accomplish a given function). To increase the likelihood that you will achieve your desired results:

- DO solicit the input and advice of the program people who will receive and use the product and/or service.
- DO prepare the SOW in terms of the results that are desired and the performance that is expected.
- DO tell the Contractor how such results or performance will be measured and how acceptance of the product or service will be defined and accomplished.
- DO structure the SOW so the Contractor can propose a complete solution to the stated problem rather than merely offering the individual items requested.
- DO NOT tell the Contractor how to do the job; for example: "staff the project with this number of people with the following qualifications."

## CMAS AGENCY PACKET

### ATTACHMENT I - LIST OF QUESTIONS FOR DEVELOPING STATEMENT OF WORK

- DO determine the full range of the problem to be solved *before* issuing the solicitation. The SOW should be comprehensive.
- DO decide what is really required to meet the government's needs.
- DO determine the minimum required. How little can you do and still meet your needs?
- DO distinguish between the "must do" and the "nice to have."
- DO determine how the "nice to have's" will be evaluated if they are proposed.
- DO determine the value to the government of the extras and try to quantify them.
- DO write a new SOW for each procurement.
- DO NOT just cobble together standard paragraphs from previous solicitations. There are bound to be inconsistencies, gaps, and errors. Resolving these will delay the completion of the procurement.
- DO review the SOW even if the product or service is one that has been purchased before. Perhaps the requirements have changed, or there is a newer technological solution to the problem, or the marketplace has changed and what was once a specialty product or service for the government is now commercially available off-the-shelf.

This information is based on the Article "Getting the Information You Want": "A SOW Checklist for the CO" by Sandra L. Saydah, Contract Management Magazine, (November 1997). Reprinted by permission of the National Contract Management Association.

## CMAS AGENCY PACKET

### ATTACHMENT J – CONFLICT OF INTEREST

State agencies need to determine whether the Contractor is or was a former or current state employee who is prohibited from contracting under the Public Contract Code 10410-10411 or Government Code 87401 et seq.

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#### **Consulting Contracts**

State agencies must determine whether a consultant's proposed duties create any reporting requirements under the Political Reform Act.

Under some circumstances, consultants may be required to report economic interests; may be prohibited from receiving gifts; and/or may be disqualified from participating in certain decisions.

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#### **Covered Consultants**

Covered consultants may include:

- a. Individuals performing services with authority to:
    - Approve a rate, rule or regulation
    - Adopt or enforce a law
    - Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement
    - Authorize your agency to enter into, modify, or renew a purchase order provided it is the type of purchase order that requires agency approval
    - Either grant agency approval for a purchase order that requires your agency's approval and to which your agency is party; or grant approval for the specifications for such a purchase order
    - Grant agency approval to a plan, design, report, study, or similar item
    - Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision of the agency
  - b. Individuals who serve under purchase order, in a staff capacity with the agency and in that capacity participate in making a governmental decision as defined in 2 CCR 18702.2.
  - c. Individuals who perform the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Government Code Section 87302.
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#### **Prohibited Financial Interest**

Employees and certain consultants may be prohibited from participating in decisions or participating in "making purchase orders" if they have a financial interest. See Government Code 1090 et seq. and Government Code 87400 et seq.

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#### **Follow-On Contracts Prohibited**

Any consultant who develops a program study or provides formal recommendations is precluded from providing any work recommended in the program study or the formal recommendation (PCC 10365.5).

See CMAS Agency Packet, Section 11, Follow-on Contracts Prohibited, for code references.

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## CMAS AGENCY PACKET

### ATTACHMENT K – DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS

The agency must have this form completed by the Contractor when federal funds are being used.

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**Federal Requirement** Contractors are required to provide the following certification to the agency before award of a purchase order using federal funds.

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants; responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211)

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**Present Status** The prospective recipient of federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

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**Attach Explanation** Where the prospective recipient of federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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**Instructions for Certification** **BEFORE COMPLETING CERTIFICATION, READ FOLLOWING INSTRUCTIONS THAT ARE AN INTEGRAL PART OF THE CERTIFICATION.**

1. By signing and submitting this proposal, the prospective recipient of federal assistance funds is providing the certification as set out below.
  2. The certification in this class is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
  3. The prospective recipient of federal assistance funds shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective recipient of federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
  4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily exclude," as used in this clause, have the
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## CMAS AGENCY PACKET

### ATTACHMENT K – DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS

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#### Instructions for Certification (Continued)

meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective recipient of federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not, knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
  6. The prospective recipient of federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
  7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the List of Parties Excluded from Procurement or Non-procurement Programs.
  8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
  9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.
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Name and Title of Authorized Representative

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Signature